

**Senate Bill No. 512**

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Passed the Senate September 7, 2005

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*Secretary of the Senate*

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Passed the Assembly September 6, 2005

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2005, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 1798.3 of the Civil Code, to amend Sections 1240, 1628, 1629, 8092, 8208, 8212, 8222, 8226, 8352, 8421, 17592.70, 35186, 38101, 41327.2, 41344, 41344.1, 41402, 41511, 41521, 41530, 41976, 41976.5, 42127, 42132, 42282, 42282.1, 42285, 42285.2, 44225.6, 44252.1, 44258.9, 44664, 45037, 48660.2, 48900.8, 48980, 49423, 49423.1, 51226.1, 52515, 52520, 52570, 52571, 52572, 54749, 56195.7, and 56362.7 of, to add Sections 42285.4, 44265.6, and 56836.07 to, to repeal Section 52247 of, and to repeal and add Section 48213 of, the Education Code, to amend Section 7572.5 of the Government Code, to repeal Chapter 1.2 (commencing with Section 628) of Title 15 of Part 1 of the Penal Code, to amend Section 34501.5 of the Vehicle Code, to amend Section 11 of Chapter 14 of the Statutes of 2003, to amend Item 6110-183-0890 of Section 2.00 of Chapter 208 of the Statutes of 2004, and to amend Section 18 of Chapter 895 of the Statutes of 2004, relating to public schools, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

SB 512, Committee on Education. Education omnibus.

(1) Existing law requires, by September 15 of each year, a county superintendent of schools to prepare and file with the Superintendent of Public Instruction a statement of all receipts and expenditures of the county office of education for the preceding fiscal year.

This bill would instead require a county superintendent of schools to prepare and file that statement by October 15 of each year.

(2) Existing law requires, by September 30 of each year, a county board of education to adopt a resolution to identify the estimated appropriations limit for the county office of education for the current fiscal year and the actual appropriations limit for the county office of education for the preceding fiscal year.

This bill would instead require a county board of education to adopt that resolution by October 15 of each year.

(3) Existing law establishes the 21st Century High School After School Safety and Enrichment for Teens program to create incentives for establishing locally driven after school enrichment programs for high school pupils in the hours after the regular schoolday. Existing law requires a high school after school program established under the program to comply with locally determined requirements related to hours and days of program operation through the 2004-05 fiscal year and, commencing with the 2005-06 fiscal year and thereafter, to comply with the requirements of the State Department of Education related to the hours and days of program operation.

This bill would instead require a high school after school program to comply with those locally determined requirements through the 2005-06 fiscal year and with those requirements of the department commencing with the 2006-07 fiscal year and thereafter.

(4) Existing law establishes the School Facilities Needs Assessment Grant Program, administered by the State Allocation Board, for the purpose of awarding grants to school districts on behalf of schoolsites ranked in deciles 1 to 3, inclusive, on the Academic Performance Index (API), as specified, to conduct a one-time comprehensive assessment of school facilities needs. Under the program, the State Department of Education is required to estimate an API score for any school meeting certain criteria.

This bill would revise the type of schools for which the department is required to estimate an API score. The bill would also exclude certain schools from those schools ranked in deciles 1 to 3, inclusive, on the 2003 base API.

(5) Existing law requires the Superintendent of Public Instruction and the Director of Finance to jointly establish a plan for repayment of school funds that a local educational agency received on the basis of average daily attendance that did not comply with statutory or regulatory requirements that were conditions of apportionments, as determined by an audit or review. Existing law establishes the Education Audit Appeals Panel and requires the panel to hear an appeal of a finding of a final audit report resulting from an audit or review. Existing law authorizes the executive officer of the panel to order or propose a reduction of repayment, under specified circumstances.

This bill would, in addition, require the Superintendent and the Director of Finance to jointly establish a plan for repayment of a penalty arising from an audit exception. The bill would also authorize the executive officer of the panel to waive repayment, or payment of a penalty, under specified circumstances.

(6) Existing law establishes maximum ratios of administrative employees to teachers, but exempts from those ratios a school district that has only one school and one administrator.

This bill would instead exempt from those ratios a school district that has one or fewer administrators.

(7) Existing law establishes the school safety consolidated competitive grant, from which grant funds are distributed to school districts in order to carry out one or more purposes for which various specified programs were established, including the development of safety plans for new schools. Existing law also makes a school district and a county office of education responsible for the overall development of comprehensive school safety plans.

This bill would declare that funds distributed from the school safety consolidated competitive grant to a school district in order to develop safety plans for new schools are revenues that offset any reimbursable mandate claim for the development of comprehensive school safety plans.

(8) Existing law establishes the professional development block grant, which is composed of funding from, and for, specified existing categorical education programs. Existing law authorizes a school district to expend block grant funds if the school district provides each teacher of kindergarten or any of grades 1 to 6, inclusive, with opportunities to participate in professional development activities, as specified.

This bill would delete that condition.

(9) Existing law requires the governing board of a school district to adopt an annual budget, and requires the county superintendent of schools who has jurisdiction over that school district to approve, conditionally approve, or disapprove the adopted budget.

This bill would require the governing board of a school district whose adopted budget was disapproved, and the county superintendent of schools who has jurisdiction over that school district, to review the disapproval and the recommendations of

the county superintendent of schools regarding revision of the budget at a public hearing, as specified. To the extent that this bill would impose additional duties on a school district, the bill would create a state-mandated local program.

(10) Existing law requires, by September 30 of each year, the governing board of a school district to adopt a resolution to identify the estimated appropriations limit for the school district for the current fiscal year and the actual appropriations limit for the school district for the preceding fiscal year.

This bill would instead require the governing board of a school district to adopt that resolution by September 15 of each year.

(11) Existing law requires a county superintendent of schools to make a funding computation for a school district with a necessary small school, and requires that computation be adjusted for excused absences by reducing average daily attendance by the statewide average rate of excused absence reported for high school districts for the 1996-97 fiscal year, as specified.

This bill would instead require that computation be adjusted for excused absences by reducing average daily attendance by the statewide average rate of excused absence reported for elementary school districts for the 1996-97 fiscal year, as specified.

(11.5) Existing law provides that the Coachella Valley Unified School District is eligible to receive apportionments for 2 specified schools within that district, pursuant to the schedule for necessary small high schools, as specified, and provides that if the amount of average daily attendance of either of those schools exceeds 286, that school is no longer entitled to receive apportionments under these provisions. Under existing law, the Department of Transportation is required to notify the Legislature and the Secretary of State upon the completion of a specified project of the Department of Transportation, and provides that after notification has occurred, the provisions described herein remain in effect only until July 1 after the then current fiscal year has elapsed, or until June 30, 2005, whichever is later, and as of the occurrence of the later of these provisions would be repealed.

This bill would, instead, provide that the Coachella Valley Unified School District is eligible to receive apportionments for

those 2 schools until June 30, 2006, at the end of which time, the bill would require the department to review the average daily attendance numbers of each school to determine if the Coachella Valley Unified School District remains qualified for necessary small school funding and, if qualified, the Coachella Valley Unified School District would remain eligible to receive apportionments, as specified, on behalf of those schools, in 2-year increments.

(12) Existing law requires the Commission on Teacher Credentialing to adopt regulations to provide a grace period for candidates enrolled in specified credential programs to complete the requirements of the program, without being required to meet new requirements. Under existing law, these provisions will be repealed by their own terms on January 1, 2006.

This bill would delete the repeal provision in existing law.

(13) Existing law requires the Commission on Teacher Credentialing to issue a 2-year nonrenewable preliminary specialist instruction credential, and a 2-year services credential with a specialization in pupil personnel services, solely for the purpose of providing specified instruction and services to deaf or hearing-impaired pupils, to a prelingual deaf candidate, upon the satisfaction of specified conditions and requirements, including medical or other appropriate professional verifications.

This bill would, upon the request of a school district, county office of education, or state special school, require the Commission on Teacher Credentialing to determine specific requirements for, and issue, a one-year specialist instruction emergency permit, solely for the purpose of instructing deaf or hearing-impaired pupils, to a prelingual deaf candidate, upon medical or other appropriate professional verifications.

(14) Existing law requires a school district to evaluate and assess the performance of a certificated employee with permanent status who has been employed at least 10 years with the school district, is highly qualified, as defined, and whose previous evaluation rated the employee as meeting or exceeding standards.

This bill would require a school district to evaluate and assess that certificated employee only if he or she occupies a position that is required to be filled by a highly qualified professional.

(15) Existing law requires the Superintendent to adopt a curriculum framework, as specified, that offers a blueprint for implementation of career and technical education, no later than June 1, 2006.

This bill would postpone the fulfillment of that requirement until April 1, 2007.

(16) Existing law establishes the Advanced Placement Challenge Grant Program under which a high school designs and implements a plan that is intended to result in its pupils having access to at least 4 advanced placement courses in core curriculum areas. Existing law also requires the Superintendent of Public Instruction to administer a grant program for advanced placement professional development under which nonrenewable 4-year grants are awarded on a competitive basis to no more than 550 high schools to establish, train, and support teams of teachers or purchase instructional materials and equipment for those courses.

This bill would delete those provisions.

(17) Existing law authorizes a pupil suspected of needing mental health services to be referred to a community mental health service. Existing law also requires the Superintendent to make specified computations to determine funding for a special education local plan area.

This bill would require the Superintendent to allocate funds appropriated in the annual Budget Act to a special education local plan area, and a proportionate share, as specified, to the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area, for purposes of those referred pupils. The bill would declare that, due to the unique situation of that special education local plan area, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution, and the enactment of a special statute is therefore necessary.

(18) Existing law requires, by June 30, 1995, the State Department of Education, in consultation with the Department of Justice and a representative selection of school districts and county offices of education, to currently compile school crime statistics and to develop a standard school crime reporting form for use by all school districts and county offices of education

throughout the state. Existing law requires each principal of a school in a school district and each principal or director of a school, program, or camp under the jurisdiction of the county superintendent of schools to report crimes, and requires the superintendent of any school district to submit various reports, as specified. Existing law requires the State Department of Education to publish and distribute to all school districts and county offices of education an annual school crime reporting update that describes typical errors in school crime reporting procedures, describes effective and efficient methods of monitoring and recording school crime data, and identifies trends in school crime drawn from the annual school crime report submitted to the Legislature.

This bill would repeal those provisions.

(19) Existing law, notwithstanding any provision of law to the contrary and from June 1, 2003, to June 30, 2005, inclusive, permits the Oakland Unified School District to sell property owned by the district and to use the proceeds from the sale to reduce or retire the emergency loan provided to that school district pursuant to existing law. Existing law also provides that, for that period of time, the Oakland Unified School District is ineligible for hardship assistance under the Leroy F. Greene School Facilities Act of 1998.

This bill would extend the time period during which the Oakland Unified School District may sell property as described above, and the period during which the district is ineligible for hardship assistance, to June 30, 2007.

(20) Existing law requires the governing board of a school district maintaining an elementary or secondary school to develop and cause to be implemented for each school in the school district a School Accountability Report Card that includes specified information regarding the academic achievement of the school.

Existing law requires the Commission on State Mandates, on or before December 31, 2005, to reconsider a certain decision it issued relating to state reimbursement for the School Accountability Report Card, and to reconsider its parameters and guidelines for calculating the state reimbursement for certain mandates in light of federal statutes enacted and state court decisions rendered since those mandates were enacted.



This bill would, in addition, require the commission to reconsider a certain other mandate on or before January 31, 2006. The bill would require the commission's decision on its reconsiderations to apply retroactively to January 1, 2005, would require the parameters and guidelines to conform to the decision of the commission on its reconsiderations, and would declare certain related legislative findings.

(21) Existing law establishes the Golden State Scholarshare Trust Act, pursuant to which participants invest money in the Golden State Scholarshare Trust for the benefit of a specific beneficiary for the purposes of the beneficiary's higher education expenses. The act also establishes the Scholarshare Investment Board as the trustee of the Golden State Scholarshare Trust, and vests in the board the purposes, powers, and duties of the trust.

Existing law also establishes the California Memorial Scholarship Program, and provides for its administration by the Scholarshare Investment Board. Under the program, which is funded by the California Memorial Scholarship Fund, scholarships are provided for surviving dependents of California residents killed as a result of injuries sustained during the terrorist attacks of September 11, 2001.

This bill would appropriate \$130,000, as provided, from the California Memorial Scholarship Fund to the Scholarshare Investment Board for the purposes of establishing individual scholarship accounts for eligible participants in the program and for the administrative costs of the board.

(22) This bill would also delete and replace obsolete and incorrect references in existing law, and would clarify various provisions and make various corrections in existing law.

(22.5) This bill would make legislative findings and declarations regarding the need for special legislation.

(23) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those

costs shall be made pursuant to the statutory provisions noted above.

(24) This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 1798.3 of the Civil Code is amended to read:

1798.3. As used in this chapter:

(a) The term “personal information” means any information that is maintained by an agency that identifies or describes an individual, including, but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual.

(b) The term “agency” means every state office, officer, department, division, bureau, board, commission, or other state agency, except that the term agency shall not include:

(1) The California Legislature.

(2) Any agency established under Article VI of the California Constitution.

(3) The State Compensation Insurance Fund, except as to any records which contain personal information about the employees of the State Compensation Insurance Fund.

(4) A local agency, as defined in subdivision (a) of Section 6252 of the Government Code.

(c) The term “disclose” means to disclose, release, transfer, disseminate, or otherwise communicate all or any part of any record orally, in writing, or by electronic or any other means to any person or entity.

(d) The term “individual” means a natural person.

(e) The term “maintain” includes maintain, acquire, use, or disclose.

(f) The term “person” means any natural person, corporation, partnership, limited liability company, firm, or association.

(g) The term “record” means any file or grouping of information about an individual that is maintained by an agency

by reference to an identifying particular such as the individual's name, photograph, finger or voice print, or a number or symbol assigned to the individual.

(h) The term "system of records" means one or more records, which pertain to one or more individuals, which is maintained by any agency, from which information is retrieved by the name of an individual or by some identifying number, symbol or other identifying particular assigned to the individual.

(i) The term "governmental entity," except as used in Section 1798.26, means any branch of the federal government or of the local government.

(j) The term "commercial purpose" means any purpose which has financial gain as a major objective. It does not include the gathering or dissemination of newsworthy facts by a publisher or broadcaster.

(k) The term "regulatory agency" means the Department of Financial Institutions, the Department of Corporations, the Department of Insurance, the Department of Real Estate, and agencies of the United States or of any other state responsible for regulating financial institutions.

SEC. 1.5. Section 1240 of the Education Code is amended to read:

1240. The county superintendent of schools shall do all of the following:

(a) Superintend the schools of his or her county.

(b) Maintain responsibility for the fiscal oversight of each school district in his or her county pursuant to the authority granted by this code.

(c) (1) Visit and examine each school in his or her county at reasonable intervals to observe its operation and to learn of its problems. He or she may annually present a report of the state of the schools in his or her county, and of his or her office, including, but not limited to, his or her observations while visiting the schools, to the board of education and the board of supervisors of his or her county.

(2) (A) To the extent that funds are appropriated for purposes of this paragraph, the county superintendent, or his or her designee, shall annually present a report to the governing board of each school district under his or her jurisdiction, the county board of education of his or her county, and the board of

supervisors of his or her county describing the state of the schools in the county or of his or her office that are ranked in deciles 1 to 3, inclusive, of the 2003 base Academic Performance Index, as defined in subdivision (b) of Section 17592.70, and shall include, among other things, his or her observations while visiting the schools.

(B) The county superintendent of the Counties of Alpine, Amador, Del Norte, Mariposa, Plumas, Sierra, and the City and County of San Francisco shall contract with another county office of education or an independent auditor to conduct the required visits and make all reports required by this paragraph.

(C) The results of the visit shall be reported to the governing board of the school district on a quarterly basis at a regularly scheduled meeting held in accordance with public notification requirements.

(D) The visits made pursuant to this paragraph shall be conducted at least annually and shall meet the following criteria:

- (i) Minimize disruption to the operation of the school.
- (ii) Be performed by individuals who meet the requirements of Section 45125.1.
- (iii) Consist of not less than 25-percent unannounced visits in each county. During unannounced visits in each county, the county superintendent shall not demand access to documents or specific school personnel. Unannounced visits shall only be used to observe the condition of school repair and maintenance and the sufficiency of instructional materials, as defined by Section 60119.

(E) The priority objective of the visits made pursuant to this paragraph shall be to determine the status of all of the following circumstances:

- (i) Sufficient textbooks as defined in Section 60119 and as specified in subdivision (i).
- (ii) The condition of a facility that poses an emergency or urgent threat to the health or safety of pupils or staff as defined in district policy, or as defined by paragraph (1) of subdivision (c) of Section 17592.72.
- (iii) The accuracy of data reported on the school accountability report card with respect to the availability of sufficient textbooks and instructional materials as defined by Section 60119 and the safety, cleanliness, and adequacy of school facilities, including

good repair as required by Sections 17014, 17032.5, 17070.75, and 17089.

(F) The county superintendent may make the status determinations described in subparagraph (E) during a single visit or multiple visits. In determining whether to make a single visit or multiple visits for this purpose, the county superintendent shall take into consideration factors such as cost-effectiveness, disruption to the schoolsite, deadlines, and availability of qualified reviewers.

(d) Distribute all laws, reports, circulars, instructions, and blanks that he or she may receive for the use of the school officers.

(e) Annually present a report to the governing board of the school district and the Superintendent regarding the fiscal solvency of any school district with a disapproved budget, qualified interim certification, or a negative interim certification, or that is determined at any time to be in a position of fiscal uncertainty pursuant to Section 42127.6.

(f) Keep in his or her office the reports of the Superintendent.

(g) Keep a record of his or her official acts, and of all the proceedings of the county board of education, including a record of the standing, in each study, of all applicants for certificates who have been examined, which shall be open to the inspection of any applicant or his or her authorized agent.

(h) Enforce the course of study.

(i) (1) Enforce the use of state textbooks and instructional materials and of high school textbooks and instructional materials regularly adopted by the proper authority in accordance with Section 51050.

(2) For purposes of this subdivision, sufficient textbooks or instructional materials has the same meaning as in subdivision (c) of Section 60119.

(3) (A) Commencing with the 2005-06 school year, if a school is ranked in any of deciles 1 to 3, inclusive, of the 2003 base Academic Performance Index, as defined in subdivision (b) of Section 17592.70, and is not currently under review through a state or federal intervention program, the county superintendent shall specifically review that school at least annually as a priority school. A review conducted for purposes of this paragraph shall be completed by the fourth week of the school year. For the

2004-05 fiscal year only, the county superintendent shall make a diligent effort to conduct a visit to each school pursuant to this paragraph within 120 days of receipt of funds for this purpose.

(B) In order to facilitate the review of instructional materials before the fourth week of the school year, the county superintendent of schools in a county with 200 or more schools that are ranked in any of deciles 1 to 3, inclusive, of the 2003 base Academic Performance Index, as defined in subdivision (b) of Section 17592.70, may utilize a combination of visits and written surveys of teachers for the purpose of determining sufficiency of textbooks and instructional materials in accordance with subparagraph (A) of paragraph (1) of subdivision (a) of Section 60119 and as defined in subdivision (c) of Section 60119. If a county superintendent of schools elects to conduct written surveys of teachers, the county superintendent of schools shall visit the schools surveyed within the same academic year to verify the accuracy of the information reported on the surveys.

(C) For purposes of this paragraph, “written surveys” may include paper and electronic or online surveys.

(4) If the county superintendent determines that a school does not have sufficient textbooks or instructional materials in accordance with subparagraph (A) of paragraph (1) of subdivision (a) of Section 60119 and as defined by subdivision (c) of Section 60119, the county superintendent shall do all of the following:

(A) Prepare a report that specifically identifies and documents the areas or instances of noncompliance.

(B) Provide within five business days of the review, a copy of the report to the school district, as provided in subdivision (c), and forward the report to the Superintendent.

(C) Provide the school district with the opportunity to remedy the deficiency. The county superintendent shall ensure remediation of the deficiency no later than the second month of the school term.

(D) If the deficiency is not remedied as required pursuant to subparagraph (C), the county superintendent shall request the department, with approval by the State Board of Education, to purchase the textbooks or instructional materials necessary to comply with the sufficiency requirement of this subdivision. If the state board approves a recommendation from the department

to purchase textbooks or instructional materials for the school district, the board shall issue a public statement at a regularly scheduled meeting indicating that the district superintendent and the governing board of the school district failed to provide pupils with sufficient textbooks or instructional materials as required by this subdivision. Before purchasing the textbooks or instructional materials, the department shall consult with the district to determine which textbooks or instructional materials to purchase. All purchases of textbooks or instructional materials shall comply with Chapter 3.25 (commencing with Section 60420) of Part 33. The amount of funds necessary to the purchase the textbooks and materials is a loan to the school district receiving the textbooks or instructional materials. Unless the school district repays the amount owed based upon an agreed-upon repayment schedule with the Superintendent, the Superintendent shall notify the Controller and the Controller shall deduct an amount equal to the total amount used to purchase the textbooks and materials, from the next principal apportionment of the district or from another apportionment of state funds.

(j) Preserve carefully all reports of school officers and teachers.

(k) Deliver to his or her successor, at the close of his or her official term, all records, books, documents, and papers belonging to the office, taking a receipt for them, which shall be filed with the department.

(l) (1) Submit two reports during the fiscal year to the county board of education in accordance with the following:

(A) The first report shall cover the financial and budgetary status of the county office of education for the period ending October 31. The second report shall cover the period ending January 31. Both reports shall be reviewed by the county board of education and approved by the county superintendent of schools no later than 45 days after the close of the period being reported.

(B) As part of each report, the county superintendent shall certify in writing whether or not the county office of education is able to meet its financial obligations for the remainder of the fiscal year and, based on current forecasts, for two subsequent fiscal years. The certifications shall be classified as positive, qualified, or negative, pursuant to standards prescribed by the

Superintendent, for the purposes of determining subsequent state agency actions pursuant to Section 1240.1. For purposes of this subdivision, a negative certification shall be assigned to any county office of education that, based upon current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or for the subsequent fiscal year. A qualified certification shall be assigned to any county office of education that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years. A positive certification shall be assigned to any county office of education that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. In accordance with those standards, the Superintendent may reclassify any certification. If a county office of education receives a negative certification, the Superintendent, or his or her designee, may exercise the authority set forth in subdivision (c) of Section 1630. Copies of each certification, and of the report containing that certification, shall be sent to the Superintendent at the time the certification is submitted to the county board of education. Copies of each qualified or negative certification and the report containing that certification shall be sent to the Controller at the time the certification is submitted to the county board of education.

(2) All reports and certifications required under this subdivision shall be in a format or on forms prescribed by the Superintendent, and shall be based on standards and criteria for fiscal stability adopted by the State Board of Education pursuant to Section 33127. The reports and supporting data shall be made available by the county superintendent of schools to any interested party upon request.

(3) This subdivision does not preclude the submission of additional budgetary or financial reports by the county superintendent to the county board of education or to the Superintendent.

(4) The county superintendent of schools is not responsible for the fiscal oversight of the community colleges in the county, however, he or she may perform financial services on behalf of those community colleges.

(m) If requested, act as agent for the purchase of supplies for the city and high school districts of his or her county.



(n) For purposes of Section 44421.5, report to the Commission on Teacher Credentialing the identity of any certificated person who knowingly and willingly reports false fiscal expenditure data relative to the conduct of any educational program. This requirement applies only if, in the course of his or her normal duties, the county superintendent of schools discovers information that gives him or her reasonable cause to believe that false fiscal expenditure data relative to the conduct of any educational program has been reported.

SEC. 2. Section 1628 of the Education Code is amended to read:

1628. On or before October 15 of each year, the county superintendent of schools shall prepare and file with the Superintendent, along with the statements received pursuant to subdivision (b) of Section 42100, a statement of all receipts and expenditures of the county office of education for the preceding fiscal year. The statement shall be in a format or on forms prescribed by the Superintendent, in accordance with regulations adopted by the State Board of Education. These forms may be amended periodically by the Superintendent to accommodate changes in statute or government reporting standards.

SEC. 3. Section 1629 of the Education Code is amended to read:

1629. On or before October 15 of each year, the county board of education shall adopt a resolution to identify, pursuant to Division 9 (commencing with Section 7900) of Title 1 of the Government Code, the estimated appropriations limit for the county office of education for the current fiscal year and the actual appropriations limit for the county office of education for the preceding fiscal year. That resolution shall be adopted at a regular or special meeting of the board. Notwithstanding Section 7910 of the Government Code, documentation used in the identification of the appropriations limits shall be made available to the public on the date of the meeting at which the resolution is adopted.

SEC. 4. Section 8092 of the Education Code is amended to read:

8092. (a) A school district or districts, a county superintendent or superintendents, or the governing body of any agency maintaining a regional occupational center or program

may contract with a private postsecondary school that is authorized or approved pursuant to Chapter 3 (commencing with Section 94300) of Part 59 and that has been in operation not less than two full calendar years prior to the effective date of the contract, to provide career technical skill training authorized by this code. A school district, community college district, or county superintendent of schools may contract with an activity center, work activity center, or sheltered workshop to provide career technical skill training authorized by this code in an adult education program for adults with disabilities operated pursuant to subdivision (a) of Section 41976.

(b) A contract between a public entity and a private postsecondary school entered into pursuant to this section, or an activity center, work activity center, or sheltered workshop, shall do all of the following:

(1) Provide that the amount contracted for per student shall not exceed the total direct and indirect costs to provide the same training in the public schools or the tuition the private postsecondary school charges its private students, whichever is lower.

(2) Provide that the public school receiving training in a private postsecondary school, or an activity center, work activity center, or sheltered workshop pursuant to that contract may not be charged additional tuition for any training included in the contract. The attendance of those students pursuant to a contract authorized by this section shall be credited to the public entity for the purposes of apportionments from the State School Fund.

(3) Provide that all programs, courses, and classes of instruction shall meet the standards set forth in the California State Plan for Career Technical Education, or is a course of study for adult schools approved by the department under Section 51056.

(c) The students who attend a private postsecondary school or an activity center, work activity center, or sheltered workshop pursuant to a contract under this section shall be enrollees of the public entity and the career technical instruction provided pursuant to that contract shall be under the exclusive control and management of the governing body of the contracting public entity.

(d) The Department of Finance and the State Department of Education may audit the accounts of both the public entity and the private party involved in these contracts to the extent necessary to ensure the integrity of the public funds involved.

SEC. 4.5. Section 8208 of the Education Code is amended to read:

8208. As used in this chapter:

(a) “Alternative payments” includes payments that are made by one child care agency to another agency or child care provider for the provision of child care and development services, and payments that are made by an agency to a parent for the parent’s purchase of child care and development services.

(b) “Alternative payment program” means a local government agency or nonprofit organization that has contracted with the department pursuant to Section 8220.2 to provide alternative payments and to provide support services to parents and providers.

(c) “Applicant or contracting agency” means a school district, community college district, college or university, county superintendent of schools, county, city, public agency, private nontax-exempt agency, private tax-exempt agency, or other entity that is authorized to establish, maintain, or operate services pursuant to this chapter. Private agencies and parent cooperatives, duly licensed by law, shall receive the same consideration as any other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this chapter.

(d) “Assigned reimbursement rate” is that rate established by the contract with the agency and is derived by dividing the total dollar amount of the contract by the minimum child day of average daily enrollment level of service required.

(e) “Attendance” means the number of children present at a child care and development facility. “Attendance,” for the purposes of reimbursement, includes excused absences by children because of illness, quarantine, illness or quarantine of their parent, family emergency, or to spend time with a parent or other relative as required by a court of law or that is clearly in the best interest of the child.

(f) “Capital outlay” means the amount paid for the renovation and repair of child care and development facilities to comply

with state and local health and safety standards, and the amount paid for the state purchase of relocatable child care and development facilities for lease to qualifying contracting agencies.

(g) “Caregiver” means a person who provides direct care, supervision, and guidance to children in a child care and development facility.

(h) “Child care and development facility” means any residence or building or part thereof in which child care and development services are provided.

(i) “Child care and development programs” means those programs that offer a full range of services for children from infancy to 13 years of age for any part of a day, by a public or private agency, in centers and family child care homes. These programs include, but are not limited to, all of the following:

- (1) Campus child care and development.
- (2) General child care and development.
- (3) Migrant child care and development.
- (4) Child care provided by the California School Age Families Education Program (Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29).
- (5) State preschool.
- (6) Resource and referral.
- (7) Child care and development services for children with special needs.
- (8) Family child care home education network.
- (9) Alternative payment.
- (10) Child abuse protection and prevention services.
- (11) Schoolage community child care.

(j) “Child care and development services” means those services designed to meet a wide variety of needs of children and their families, while their parents or guardians are working, in training, seeking employment, incapacitated, or in need of respite. These services may include direct care and supervision, instructional activities, resource and referral programs, and alternative payment arrangements.

(k) “Children at risk of abuse, neglect, or exploitation” means children who are so identified in a written referral from a legal, medical, or social service agency, or emergency shelter.

(l) “Children with exceptional needs” means either of the following:

(1) Infants and toddlers under three years of age who have been determined to be eligible for early intervention services pursuant to the California Early Intervention Services Act (Title 14 (commencing with Section 95000) of the Government Code) and its implementing regulations. These children include an infant or toddler with a developmental delay or established risk condition, or who is at high risk of having a substantial developmental disability, as defined in subdivision (a) of Section 95014 of the Government Code. These children shall have active individualized family service plans, shall be receiving early intervention services, and shall be children who require the special attention of adults in a child care setting.

(2) Children ages 3 to 21 years, inclusive, who have been determined to be eligible for special education and related services by an individualized education program team according to the special education requirements contained in Part 30 (commencing with Section 56000), and who meet eligibility criteria described in Section 56026 and Sections 56333 to 56338, inclusive, and Sections 3030 and 3031 of Title 5 of the California Code of Regulations. These children shall have an active individualized education program, shall be receiving early intervention services or appropriate special education and related services, and shall be children who require the special attention of adults in a child care setting. These children include children with mental retardation, hearing impairments (including deafness), speech or language impairments, visual impairments (including blindness), serious emotional disturbance (also referred to as emotional disturbance), orthopedic impairments, autism, traumatic brain injury, other health impairments, or specific learning disabilities, who need special education and related services consistent with paragraph (A) of subsection (3) of Section 1401 of Title 20 of the United States Code.

(m) “Closedown costs” means reimbursements for all approved activities associated with the closing of operations at the end of each growing season for migrant child development programs only.

(n) “Cost” includes, but is not limited to, expenditures that are related to the operation of child care and development programs.

“Cost” may include a reasonable amount for state and local contributions to employee benefits, including approved retirement programs, agency administration, and any other reasonable program operational costs. “Cost” may also include amounts for licensable facilities in the community served by the program, including lease payments or depreciation, downpayments, and payments of principal and interest on loans incurred to acquire, rehabilitate, or construct licensable facilities, but these costs shall not exceed fair market rents existing in the community in which the facility is located. “Reasonable and necessary costs” are costs that, in nature and amount, do not exceed what an ordinary prudent person would incur in the conduct of a competitive business.

(o) “Elementary school,” as contained in Section 425 of Title 20 of the United States Code (the National Defense Education Act of 1958, Public Law 85-864, as amended), includes early childhood education programs and all child development programs, for the purpose of the cancellation provisions of loans to students in institutions of higher learning.

(p) “Family child care home education network” means an entity organized under law that contracts with the department pursuant to Section 8245 to make payments to licensed family child care home providers and to provide educational and support services to those providers and to children and families eligible for state-subsidized child care and development services. A family child care home education network may also be referred to as a family child care home system.

(q) “Health services” include, but are not limited to, all of the following:

(1) Referral, whenever possible, to appropriate health care providers able to provide continuity of medical care.

(2) Health screening and health treatment, including a full range of immunization recorded on the appropriate state immunization form to the extent provided by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Child Health and Disability Prevention Program (Article 6 (commencing with Section 124025) of Chapter 3 of Part 2 of Division 106 of the Health and Safety Code), but only to the

extent that ongoing care cannot be obtained utilizing community resources.

(3) Health education and training for children, parents, staff, and providers.

(4) Followup treatment through referral to appropriate health care agencies or individual health care professionals.

(r) “Higher educational institutions” means the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Community Colleges, and the governing bodies of any accredited private nonprofit institution of postsecondary education.

(s) “Intergenerational staff” means persons of various generations.

(t) “Limited-English-speaking-proficient and non-English-speaking-proficient children” means children who are unable to benefit fully from an English-only child care and development program as a result of either of the following:

(1) Having used a language other than English when they first began to speak.

(2) Having a language other than English predominantly or exclusively spoken at home.

(u) “Parent” means a biological parent, stepparent, adoptive parent, foster parent, caretaker relative, or any other adult living with a child who has responsibility for the care and welfare of the child.

(v) “Program director” means a person who, pursuant to Sections 8244 and 8360.1, is qualified to serve as a program director.

(w) “Proprietary child care agency” means an organization or facility providing child care, which is operated for profit.

(x) “Resource and referral programs” means programs that provide information to parents, including referrals and coordination of community resources for parents and public or private providers of care. Services frequently include, but are not limited to: technical assistance for providers, toy-lending libraries, equipment-lending libraries, toy- and equipment-lending libraries, staff development programs, health and nutrition education, and referrals to social services.

(y) “Severely disabled children” are children with exceptional needs from birth to 21 years of age, inclusive, who require

intensive instruction and training in programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, or severe mental retardation. “Severely disabled children” also include those individuals who would have been eligible for enrollment in a developmental center for handicapped pupils under Chapter 6 (commencing with Section 56800) of Part 30 as it read on January 1, 1980.

(z) “Short-term respite child care” means child care service to assist families whose children have been identified through written referral from a legal, medical, or social service agency, or emergency shelter as being neglected, abused, exploited, or homeless, or at risk of being neglected, abused, exploited, or homeless. Child care is provided for less than 24 hours per day in child care centers, treatment centers for abusive parents, family child care homes, or in the child’s own home.

(aa) (1) “Site supervisor” means a person who, regardless of his or her title, has operational program responsibility for a child care and development program at a single site. A site supervisor shall hold a permit issued by the Commission on Teacher Credentialing that authorizes supervision of a child care and development program operating in a single site. The Superintendent may waive the requirements of this subdivision if the superintendent determines that the existence of compelling need is appropriately documented.

(2) In respect to state preschool programs, a site supervisor may qualify under any of the provisions in this subdivision, or may qualify by holding an administrative credential or an administrative services credential. A person who meets the qualifications of a site supervisor under both Section 8244 and subdivision (e) of Section 8360.1 is also qualified under this subdivision.

(ab) “Standard reimbursement rate” means that rate established by the Superintendent pursuant to Section 8265.

(ac) “Startup costs” means those expenses an agency incurs in the process of opening a new or additional facility prior to the full enrollment of children.

(ad) “State preschool services” means part-day educational programs for low-income or otherwise disadvantaged prekindergarten-age children.



(ae) “Support services” means those services that, when combined with child care and development services, help promote the healthy physical, mental, social, and emotional growth of children. Support services include, but are not limited to: protective services, parent training, provider and staff training, transportation, parent and child counseling, child development resource and referral services, and child placement counseling.

(af) “Teacher” means a person with the appropriate permit issued by the Commission on Teacher Credentialing who provides program supervision and instruction that includes supervision of a number of aides, volunteers, and groups of children.

(ag) “Underserved area” means a county or subcounty area, including, but not limited to, school districts, census tracts, or ZIP Code areas, where the ratio of publicly subsidized child care and development program services to the need for these services is low, as determined by the Superintendent.

(ah) “Workday” means the time that the parent requires temporary care for a child for any of the following reasons:

- (1) To undertake training in preparation for a job.
- (2) To undertake or retain a job.
- (3) To undertake other activities that are essential to maintaining or improving the social and economic function of the family, are beneficial to the community, or are required because of health problems in the family.

SEC. 5. Section 8212 of the Education Code is amended to read:

8212. For purposes of this article, child care resource and referral programs, established to serve a defined geographic area, shall provide the following services:

(a) Identification of the full range of existing child care services through information provided by all relevant public and private agencies in the areas of service, and the development of a resource file of those services which shall be maintained and updated at least quarterly. These services shall include, but not be limited to, family day care homes, public and private day care programs, full-time and part-time programs, and infant, preschool, and extended care programs.

The resource file shall include, but not be limited to, the following information:

- (1) Type of program.
- (2) Hours of service.
- (3) Ages of children served.
- (4) Fees and eligibility for services.
- (5) Significant program information.

(b) (1) Establishment of a referral process which responds to parental need for information and which is provided with full recognition of the confidentiality rights of parents. Resource and referral programs shall make referrals to licensed child day care facilities. Referrals shall be made to unlicensed care facilities only if there is no requirement that the facility be licensed. The referral process shall afford parents maximum access to all referral information. This access shall include, but is not limited to, telephone referrals to be made available for at least 30 hours per week as part of a full week of operation. Every effort shall be made to reach all parents within the defined geographic area, including, but not limited to, any of the following:

- (A) Toll-free telephone lines.
- (B) Office space convenient to parents and providers.
- (C) Referrals in languages which are spoken in the community.

Each child care resource and referral program shall publicize its services through all available media sources, agencies, and other appropriate methods.

(2) (A) Provision of information to any person who requests a child care referral of his or her right to view the licensing information of a licensed child day care facility required to be maintained at the facility pursuant to Section 1596.859 of the Health and Safety Code and to access any public files pertaining to the facility that are maintained by the State Department of Social Services Community Care Licensing Division.

(B) A written or oral advisement in substantially the following form will comply with the requirements of subparagraph (A):

“State law requires licensed child day care facilities to make accessible to the public a copy of any licensing report pertaining to the facility that documents a facility visit or a substantiated complaint investigation. In addition, a more complete file regarding a child care licensee may be available at an office of

the State Department of Social Services Community Care Licensing Division. You have the right to access any public information in these files.”

(c) Maintenance of ongoing documentation of requests for service tabulated through the internal referral process. The following documentation of requests for service shall be maintained by all child care resource and referral programs:

- (1) Number of calls and contacts to the child care information and referral program or component.
- (2) Ages of children served.
- (3) Time category of child care request for each child.
- (4) Special time category, such as nights, weekends, and swing shift.
- (5) Reason that the child care is needed.

This information shall be maintained in a manner that is easily accessible for dissemination purposes.

(d) Provision of technical assistance to existing and potential providers of all types of child care services. This assistance shall include, but not be limited to:

- (1) Information on all aspects of initiating new child care services including, but not limited to, licensing, zoning, program and budget development, and assistance in finding this information from other sources.
- (2) Information and resources that help existing child care services providers to maximize their ability to serve the children and parents of their community.
- (3) Dissemination of information on current public issues affecting the local and state delivery of child care services.
- (4) Facilitation of communication between existing child care and child-related services providers in the community served.

Services prescribed by this section shall be provided in order to maximize parental choice in the selection of child care to facilitate the maintenance and development of child care services and resources.

(e) (1) A program operating pursuant to this article shall, within two business days of receiving notice, remove a licensed child day care facility with a revocation or a temporary suspension order, or that is on probation from the program’s referral list.

(2) A program operating pursuant to this article shall, within two business days of receiving notice, notify all entities, operating a program under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) in the program's jurisdiction, of a licensed child day care facility with a revocation or a temporary suspension order, or that is on probation.

SEC. 5.5. Section 8222 of the Education Code is amended to read:

8222. Payments made by alternative payment programs shall be equal to the fee charged to full-cost families in each program, not to exceed the applicable market rate ceiling. Alternative payment programs may expend more than the standard reimbursement rate for a particular child. However, the aggregate payments for services purchased by the agency during the contract year may not exceed the assigned reimbursable amount as established by the contract for the year.

No agency may make payments in excess of the fee charged to full-cost families.

This section does not preclude alternative payment programs from using the average daily enrollment adjustment factors for children with exceptional needs as provided in Section 8265.5.

SEC. 6. Section 8226 of the Education Code is amended to read:

8226. (a) When making referrals, every program operating pursuant to this article shall provide information to any person who requests a child care referral of his or her right to view the licensing information of a licensed child day care facility required to be maintained at the facility pursuant to Section 1596.859 of the Health and Safety Code and to access any public files pertaining to the facility that are maintained by the State Department of Social Services Community Care Licensing Division.

(b) A written or oral advisement in substantially the following form will comply with the requirements of subdivision (a):

“State law requires licensed child day care facilities to make accessible to the public a copy of any licensing report pertaining to the facility that documents a facility visit or a substantiated complaint investigation. In addition, a more complete file regarding a child care licensee may be available at an office of

the State Department of Social Services Community Care Licensing Division. You have the right to access any public information in these files.”

(c) Every program operating pursuant to this article shall, within two days of receiving notice, remove from the program’s referral list the name of any licensed child day care facility with a revocation or a temporary suspension order or that is on probation.

(d) A program operating pursuant to this article shall, within two business days of being notified of a revocation or a temporary suspension order for a licensed child day care facility, do both of the following:

(1) Terminate payment to the facility.

(2) Notify each parent and the facility in writing that payment has been terminated and the reason for the termination.

(e) A program operating pursuant to this article shall, upon being notified that a licensed child day care facility has been placed on probation, provide written notice to each parent utilizing the facility that the facility has been placed on probation and that the parent has the option of selecting a different child day care provider or remaining with the facility without risk of subsidy payments to the provider being terminated. The Legislature urges each agency operating pursuant to this section to provide the written notice required by this subdivision in the primary language of the parent, to the extent feasible.

SEC. 7. Section 8352 of the Education Code is amended to read:

8352. (a) As soon as appropriate, a county welfare department shall refer families needing child care services to the local child care resource and referral program funded pursuant to Article 2 (commencing with Section 8210). Resource and referral program staff shall colocate with a county welfare department’s case management offices for aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, or any successor program, or arrange other means of swift communication with parents and case managers of this aid. The local child care resource and referral program shall assist families to establish stable child care arrangements as soon as possible. These child care arrangements may include licensed and license-exempt care.

(b) A program operating pursuant to this article shall, within two business days of being notified of a revocation or a temporary suspension order for a licensed child day care facility, do both of the following:

- (1) Terminate payment to the facility.
- (2) Notify each parent and the facility in writing that payment has been terminated and the reason for the termination.

(c) A program operating pursuant to this article shall, upon being notified that a licensed child care facility has been placed on probation, provide written notice to each parent utilizing the facility that the facility has been placed on probation and that the parent has the option of selecting a different child day care provider or remaining with the facility without risk of subsidy payments to the provider being terminated. The Legislature urges each agency operating pursuant to this section to provide the written notice required by this subdivision in the primary language of the parent, to the extent feasible.

SEC. 8. Section 8421 of the Education Code is amended to read:

8421. There is hereby established the 21st Century High School After School Safety and Enrichment for Teens program. The purpose of the program is to create incentives for establishing locally driven after school enrichment programs that partner schools and communities to provide academic support and safe, constructive alternatives for high school pupils in the hours after the regular schoolday.

(a) A minimum of 10 high school after school programs shall be established to serve pupils in grades 9 to 12, inclusive.

(b) A high school after school program established pursuant to this article shall consist of the following two components:

(1) An academic assistance component that shall include, but need not be limited to, at least one of the following: preparation for the high school exit examination, tutoring, homework assistance, or college preparation, including information about the Cal Grant Program established pursuant to Article 3 (commencing with Section 69530) of Chapter 2 of Part 42. The assistance shall be aligned with the regular academic programs of the pupils.

(2) An enrichment activities component that may include, but need not be limited to, community service, career and technical

education, job readiness, opportunities for mentoring and tutoring younger pupils, service learning, arts, computer and technology training, physical fitness, and recreation activities.

(c) A program shall comply with locally determined requirements related to hours and days of program operation through the 2005-06 fiscal year. Commencing with the 2006-07 fiscal year and thereafter, a program shall comply with the requirements of the department related to the hours and days of program operation.

(d) An entity may operate programs on one or multiple sites. If an entity plans to operate programs at multiple sites, only one application is required.

(e) A program may operate on a schoolsite or on another site approved by the department during the grant application process. A program located off school grounds shall not be approved unless both of the following criteria are met:

(1) Safe transportation is available to transport participating pupils if necessary.

(2) The program is at least as available and accessible as similar programs conducted on schoolsites.

(f) Applicants for grants pursuant to this article shall ensure that all of the following requirements are fulfilled, if applicable:

(1) The application includes a description of the activities that will be available for pupils and lists the program hours.

(2) The application includes an estimate of the following:

(A) The number of pupils expected to attend the program on a regular basis.

(B) The average hours of attendance per pupil.

(C) The percentage of pupils expected to attend the program less than three days a week, three days a week, and more than three days a week, for each quarter or semester during the grant period.

(3) The application documents the commitments of each partner to operate a program at a location or locations that are safe and accessible to participating pupils.

(4) The application demonstrates that pupils were involved in the design of the program and describes the extent of that involvement.

(5) The application identifies federal, state, and local programs that will be combined or coordinated with the high school after

school program for the most effective use of public resources, and describes a plan for implementing the high school after school program beyond federal grant funding.

(6) The applicant complies with all federal requirements in preparing and submitting the application, as described in the request for applications of the department.

(g) The department shall not establish minimum attendance requirements for individual pupils.

SEC. 8.5. Section 17592.70 of the Education Code is amended to read:

17592.70. (a) There is hereby established the School Facilities Needs Assessment Grant Program with the purpose to provide for a one-time comprehensive assessment of school facilities needs. The grant program shall be administered by the State Allocation Board.

(b) (1) The grants shall be awarded to school districts on behalf of schoolsites ranked in deciles 1 to 3, inclusive, on the Academic Performance Index (API), pursuant to Section 52056, based on the 2003 base API score for each school newly constructed prior to January 1, 2000.

(2) For purposes of this section, schools ranked in deciles 1 to 3, inclusive, on the 2003 base API shall include any schools determined by the department to meet either of the following:

(A) The school meets all of the following criteria:

(i) Does not have a valid base API score for 2003.

(ii) Is operating in fiscal year 2004-05 and was operating in fiscal year 2003-04 during the Standardized Testing and Reporting (STAR) Program testing period.

(iii) Has a valid base API score for 2002 that was ranked in deciles 1 to 3, inclusive, in that year.

(B) The school has an estimated base API score for 2003 that would be in deciles 1 to 3, inclusive.

(3) The department shall estimate an API score for any school meeting the criteria of clauses (i) and (ii) of subparagraph (A) of paragraph (2) and not meeting the criteria of clause (iii) of subparagraph (A) of paragraph (2), using available testing scores and any weighting or corrective factors it deems appropriate. The department shall provide those API scores to the Office of Public School Construction and post them on its Web site within 30 days of the enactment of this section.



(4) For purposes of this section, schools ranked in deciles 1 to 3, inclusive, on the 2003 base API shall exclude any schools determined by the department to be operated by county offices of education pursuant to Section 56140.

(c) The board shall allocate funds pursuant to subdivision (b) to school districts with jurisdiction over eligible schoolsites, based on ten dollars (\$10) per pupil enrolled in the eligible school as of October 2003, with a minimum allocation of seven thousand five hundred dollars (\$7,500) for each schoolsite.

(d) As a condition of receiving funds pursuant to this section, school districts shall do all of the following:

(1) Use the funds to develop a comprehensive needs assessment of all schoolsites eligible for grants pursuant to subdivision (b). The assessment shall contain, at a minimum, all of the following information for each schoolsite:

(A) The year each building that is currently used for instructional purposes was constructed.

(B) The year, if any, each building that is currently used for instructional purposes was last modernized.

(C) The pupil capacity of the school.

(D) The number of pupils enrolled in the school.

(E) The density of the school campus measured in pupils per acre.

(F) The total number of classrooms at the school.

(G) The age and number of portable classrooms at the school.

(H) Whether the school is operating on a multitrack, year-round calendar, and, if so, what type.

(I) Whether the school has a cafeteria, or an auditorium or other space used for pupil eating and not for class instruction.

(J) The useful life remaining of all major building systems for each structure housing instructional space, including, but not limited to, sewer, water, gas, electrical, roofing, and fire and life safety protection.

(K) The estimated costs for five years necessary to maintain functionality of each instructional space to maintain health, safety, and suitable learning environment, as applicable, including classroom, counseling areas, administrative space, libraries, gymnasiums, multipurpose and dining space, and the accessibility to those spaces.

(L) A list of necessary repairs.

(2) Use the data currently filed with the state as part of the process of applying for and obtaining modernization or construction funds for school facilities, or information that is available in the California Basic Education Data System for the element required in subparagraphs (D), (E), (F), and (G) of paragraph (1).

(3) Use the assessment as the baseline for the facilities inspection system required pursuant to subdivision (e) of Section 17070.75.

(4) Provide the results of the assessment to the Office of Public School Construction, including a report on the expenditures made in performing the assessment. It is the intent of the Legislature that the assessments be completed as soon as possible, but not later than January 1, 2006.

(5) If a school district does not need the full amount of the allocation it receives pursuant to this section, the school district shall expend the remaining funds for making facilities repairs identified in its needs assessment. The school district shall report to the Office of Public School Construction on the repairs completed pursuant to this paragraph and the cost of the repairs.

(6) Submit to the Office of Public School Construction an interim report regarding the progress made by the school district in completing the assessments of all eligible schools.

SEC. 8.7. Section 35186 of the Education Code is amended to read:

35186. (a) A school district shall use the uniform complaint process it has adopted as required by Chapter 5.1 (commencing with Section 4600) of Title 5 of the California Code of Regulations, with modifications, as necessary, to help identify and resolve any deficiencies related to instructional materials, emergency or urgent facilities conditions that pose a threat to the health and safety of pupils or staff, and teacher vacancy or misassignment.

(1) A complaint may be filed anonymously. A complainant who identifies himself or herself is entitled to a response if he or she indicates that a response is requested. A complaint form shall include a space to mark to indicate whether a response is requested. All complaints and responses are public records.

(2) The complaint form shall specify the location for filing a complaint. A complainant may add as much text to explain the complaint as he or she wishes.

(3) A complaint shall be filed with the principal of the school or his or her designee. A complaint about problems beyond the authority of the school principal shall be forwarded in a timely manner but not to exceed 10 working days to the appropriate school district official for resolution.

(b) The principal or the designee of the district superintendent, as applicable, shall make all reasonable efforts to investigate any problem within his or her authority. The principal or designee of the district superintendent shall remedy a valid complaint within a reasonable time period but not to exceed 30 working days from the date the complaint was received. The principal or designee of the district superintendent shall report to the complainant the resolution of the complaint within 45 working days of the initial filing. If the principal makes this report, the principal shall also report the same information in the same timeframe to the designee of the district superintendent.

(c) A complainant not satisfied with the resolution of the principal or the designee of the district superintendent has the right to describe the complaint to the governing board of the school district at a regularly scheduled hearing of the governing board. As to complaints involving a condition of a facility that poses an emergency or urgent threat, as defined in paragraph (1) of subdivision (c) of Section 17592.72, a complainant who is not satisfied with the resolution proffered by the principal or the designee of the district superintendent has the right to file an appeal to the Superintendent, who shall provide a written report to the State Board of Education describing the basis for the complaint and, as appropriate, a proposed remedy for the issue described in the complaint.

(d) A school district shall report summarized data on the nature and resolution of all complaints on a quarterly basis to the county superintendent of schools and the governing board of the school district. The summaries shall be publicly reported on a quarterly basis at a regularly scheduled meeting of the governing board of the school district. The report shall include the number of complaints by general subject area with the number of

resolved and unresolved complaints. The complaints and written responses shall be available as public records.

(e) The procedure required pursuant to this section is intended to address all of the following:

(1) A complaint related to instructional materials as follows:

(A) A pupil, including an English learner, does not have standards-aligned textbooks or instructional materials or state-adopted or district-adopted textbooks or other required instructional material to use in class.

(B) A pupil does not have access to instructional materials to use at home or after school.

(C) Textbooks or instructional materials are in poor or unusable condition, have missing pages, or are unreadable due to damage.

(2) A complaint related to teacher vacancy or misassignment as follows:

(A) A semester begins and a teacher vacancy exists.

(B) A teacher who lacks credentials or training to teach English learners is assigned to teach a class with more than 20-percent English learner pupils in the class. This subparagraph does not relieve a school district from complying with state or federal law regarding teachers of English learners.

(C) A teacher is assigned to teach a class for which the teacher lacks subject matter competency.

(3) A complaint related to the condition of facilities that pose an emergency or urgent threat to the health or safety of pupils or staff as defined in paragraph (1) of subdivision (c) of Section 17592.72 and any other emergency conditions the school district determines appropriate.

(f) In order to identify appropriate subjects of complaint, a notice shall be posted in each classroom in each school in the school district notifying parents, guardians, pupils, and teachers of the following:

(1) There should be sufficient textbooks and instructional materials. For there to be sufficient textbooks and instructional materials each pupil, including English learners, must have a textbook or instructional materials, or both, to use in class and to take home.

(2) School facilities must be clean, safe, and maintained in good repair.

(3) There should be no teacher vacancies or misassignments as defined in paragraphs (2) and (3) of subdivision (h).

(4) The location at which to obtain a form to file a complaint in case of a shortage. Posting a notice downloadable from the Web site of the department shall satisfy this requirement.

(g) A local educational agency shall establish local policies and procedures, post notices, and implement this section on or before January 1, 2005.

(h) For purposes of this section, the following definitions apply:

(1) “Good repair” has the same meaning as specified in subdivision (d) of Section 17002.

(2) “Misassignment” means the placement of a certificated employee in a teaching or services position for which the employee does not hold a legally recognized certificate or credential or the placement of a certificated employee in a teaching or services position that the employee is not otherwise authorized by statute to hold.

(3) “Teacher vacancy” means a position to which a single designated certificated employee has not been assigned at the beginning of the year for an entire year or, if the position is for a one-semester course, a position to which a single designated certificated employee has not been assigned at the beginning of a semester for an entire semester.

SEC. 9. Section 38101 of the Education Code is amended to read:

38101. (a) The governing board of a school district may authorize expenditures from the cafeteria fund or cafeteria account only for those charges from that fund or account that are defined in the California School Accounting Manual.

(b) A food service program shall not be charged more than once for expenditures for the same service. If a food service program is being charged for a service as a direct cost, the school district shall not also allocate that cost as a direct support cost or indirect cost.

(c) For purposes of this section, an “indirect cost” shall be limited to the lesser of the school district’s prior year indirect cost rate as approved by the department or the statewide average approved indirect cost for the second prior fiscal year.

(d) Charges to, or transfers from, a food service program shall indicate when the charge or transfer was made and shall be accompanied by a written explanation of the purpose of, and basis for, the expenditure.

(e) This section does not authorize a school district to charge a food service program any charges prohibited by state or federal law or regulation.

(f) If the department and the Department of Finance concur that a school district has violated this section, the Superintendent shall direct that school district to transfer double the amount improperly transferred to the general fund of the school district from that fund to the cafeteria fund of the school district or cafeteria account for the subsequent fiscal year which is then to be used for the improvement of the food service program of the school district. If the school district fails to make that transfer as directed, the Superintendent shall reduce the regular apportionment of the school district determined pursuant to Section 42238 and increase the child nutrition allowance of the school district determined pursuant to Section 41350 by double the amount improperly transferred to the general fund of the school district and that amount is then to be used for improvement of the food service program.

(g) It is the intent of the Legislature in enacting this section that responsible school district officials be held fully accountable for the accounting and reporting of food service programs and that minor and inadvertent instances of noncompliance be resolved in a fair and equitable manner to the satisfaction of the Superintendent and the Department of Finance.

(h) The Superintendent, with the approval of the Department of Finance, may waive up to the full transfer amount in subdivision (f) if he or she determines that the noncompliance involved is minor or inadvertent, or both.

SEC. 9.5. Section 41020 of the Education Code is amended to read:

41020. (a) It is the intent of the Legislature to encourage sound fiscal management practices among local educational agencies for the most efficient and effective use of public funds for the education of children in California by strengthening fiscal accountability at the district, county, and state levels.

(b) (1) Not later than the first day of May of each fiscal year, each county superintendent of schools shall provide for an audit of all funds under his or her jurisdiction and control and the governing board of each local educational agency shall either provide for an audit of the books and accounts of the local educational agency, including an audit of income and expenditures by source of funds, or make arrangements with the county superintendent of schools having jurisdiction over the local educational agency to provide for that auditing.

(2) A contract to perform the audit of a local educational agency that has a disapproved budget or has received a negative certification on any budget or interim financial report during the current fiscal year or either of the two preceding fiscal years, or for which the county superintendent of schools has otherwise determined that a lack of going concern exists, is not valid unless approved by the responsible county superintendent of schools and the governing board.

(3) If the governing board of a local educational agency has not provided for an audit of the books and accounts of the local educational agency by April 1, the county superintendent of schools having jurisdiction over the local educational agency shall provide for the audit of each local educational agency.

(4) An audit conducted pursuant to this section shall fully comply with the Government Auditing Standards issued by the Comptroller General of the United States.

(5) For purposes of this section, “local educational agency” does not include community colleges.

(c) Each audit conducted in accordance with this section shall include all funds of the local educational agency, including the student body and cafeteria funds and accounts and any other funds under the control or jurisdiction of the local educational agency. Each audit shall also include an audit of pupil attendance procedures.

(d) All audit reports for each fiscal year shall be developed and reported using a format established by the Controller after consultation with the Superintendent and the Director of Finance.

(e) (1) The cost of the audits provided for by the county superintendent of schools shall be paid from the county school service fund and the county superintendent of schools shall

transfer the pro rata share of the cost chargeable to each district from district funds.

(2) The cost of the audit provided for by a governing board shall be paid from local educational agency funds. The audit of the funds under the jurisdiction and control of the county superintendent of schools shall be paid from the county school service fund.

(f) (1) The audits shall be made by a certified public accountant or a public accountant, licensed by the California Board of Accountancy, and selected by the local educational agency, as applicable, from a directory of certified public accountants and public accountants deemed by the Controller as qualified to conduct audits of local educational agencies, which shall be published by the Controller not later than December 31 of each year.

(2) Commencing with the 2003-04 fiscal year and except as provided in subdivision (d) of Section 41320.1, it is unlawful for a public accounting firm to provide audit services to a local educational agency if the lead audit partner, or coordinating audit partner, having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local educational agency in each of the six previous fiscal years. The Education Audits Appeal Panel may waive this requirement if the panel finds that no otherwise eligible auditor is available to perform the audit.

(3) It is the intent of the Legislature that, notwithstanding paragraph (2) of this subdivision, the rotation within public accounting firms conform to provisions of the federal Sarbanes-Oxley Act of 2002 (P.L. 107-204; 15 U.S.C. Sec. 7201 et seq.), and upon release of the report required by the act of the Comptroller General of the United States addressing the mandatory rotation of registered public accounting firms, the Legislature intends to reconsider the provisions of paragraph (2). In determining which certified public accountants and public accountants shall be included in the directory, the Controller shall use the following criteria:

(A) The certified public accountants or public accountants shall be in good standing as certified by the Board of Accountancy.



(B) The certified public accountants or public accountants, as a result of a quality control review conducted by the Controller pursuant to Section 14504.2, shall not have been found to have conducted an audit in a manner constituting noncompliance with subdivision (a) of Section 14503.

(g) (1) The auditor's report shall include each of the following:

(A) A statement that the audit was conducted pursuant to standards and procedures developed in accordance with Chapter 3 (commencing with Section 14500) of Part 9 of Division 1 of Title 1.

(B) A summary of audit exceptions and management improvement recommendations.

(C) Each audit of a local educational agency shall include an evaluation by the auditor on whether there is substantial doubt about the ability of the local educational agency to continue as a going concern for a reasonable period of time. This evaluation shall be based on the Statement of Auditing Standards (SAS) No. 59, as issued by the AICPA regarding disclosure requirements relating to the ability of the entity to continue as a going concern.

(2) To the extent possible, a description of correction or plan of correction shall be incorporated in the audit report, describing the specific actions that are planned to be taken, or that have been taken, to correct the problem identified by the auditor. The descriptions of specific actions to be taken or that have been taken shall not solely consist of general comments such as "will implement," "accepted the recommendation," or "will discuss at a later date."

(h) Not later than December 15, a report of each local educational agency audit for the preceding fiscal year shall be filed with the county superintendent of schools of the county in which the local educational agency is located, the department, and the Controller. The Superintendent shall make any adjustments necessary in future apportionments of all state funds, to correct any audit exceptions revealed by those audit reports.

(i) (1) Commencing with the 2002-03 audit of local educational agencies pursuant to this section, each county superintendent of schools shall be responsible for reviewing the audit exceptions contained in an audit of a local educational agency under his or her jurisdiction related to attendance,

inventory of equipment, internal control, and any miscellaneous items, and determining whether the exceptions have been either corrected or an acceptable plan of correction has been developed.

(2) Commencing with the 2004-05 audit of local educational agencies pursuant to this section, each county superintendent of schools shall include in the review of audit exceptions performed pursuant to this subdivision those audit exceptions related to use of instructional materials program funds, teacher misassignments pursuant to Section 44258.9, information reported on the school accountability report card required pursuant to Section 33126 and shall determine whether the exceptions are either corrected or an acceptable plan of correction has been developed.

(j) Upon submission of the final audit report to the governing board of each local educational agency and subsequent receipt of the audit by the county superintendent of schools having jurisdiction over the local educational agency, the county office of education shall do all of the following:

(1) Review audit exceptions related to attendance, inventory of equipment, internal control, and other miscellaneous exceptions. Attendance exceptions or issues shall include, but not be limited to, those related to revenue limits, adult education, and independent study.

(2) If a description of the correction or plan of correction has not been provided as part of the audit required by this section, then the county superintendent of schools shall notify the local educational agency and request the governing board of the local educational agency to provide to the county superintendent of schools a description of the corrections or plan of correction by March 15.

(3) Review the description of correction or plan of correction and determine its adequacy. If the description of the correction or plan of correction is not adequate, the county superintendent of schools shall require the local educational agency to resubmit that portion of its response that is inadequate.

(k) Each county superintendent of schools shall certify to the Superintendent and the Controller, not later than May 15, that his or her staff has reviewed all audits of local educational agencies under his or her jurisdiction for the prior fiscal year, that all exceptions that the county superintendent was required to review were reviewed, and that all of those exceptions, except as

otherwise noted in the certification, have been corrected by the local educational agency or that an acceptable plan of correction has been submitted to the county superintendent of schools. In addition, the county superintendent shall identify, by local educational agency, any attendance-related audit exception or exceptions involving state funds, and require the local educational agency to which the audit exceptions were directed to submit appropriate reporting forms for processing by the Superintendent.

(l) In the audit of a local educational agency for a subsequent year, the auditor shall review the correction or plan or plans of correction submitted by the local educational agency to determine if the exceptions have been resolved. If not, the auditor shall immediately notify the appropriate county office of education and the department and restate the exception in the audit report. After receiving that notification, the department shall either consult with the local educational agency to resolve the exception or require the county superintendent of schools to follow up with the local educational agency.

(m) (1) The Superintendent shall be responsible for ensuring that local educational agencies have either corrected or developed plans of correction for any one or more of the following:

(A) All federal and state compliance audit exceptions identified in the audit.

(B) Any exceptions that the county superintendent certifies as of May 15 have not been corrected.

(C) Any repeat audit exceptions that are not assigned to a county superintendent to correct.

(2) In addition, the Superintendent shall be responsible for ensuring that county superintendents of schools and each county board of education that serves as the governing board of a local educational agency either correct all audit exceptions identified in the audits of county superintendents of schools and of the local educational agencies for which the county boards of education serve as the governing boards or develop acceptable plans of correction for those exceptions.

(3) The Superintendent shall report annually to the Controller on his or her actions to ensure that school districts, county superintendents of schools, and each county board of education

that serves as the governing board of a school district have either corrected or developed plans of correction for any of the exceptions noted pursuant to paragraph (1).

(n) To facilitate correction of the exceptions identified by the audits issued pursuant to this section, commencing with 2002-03 audits pursuant to this section, the Controller shall require auditors to categorize audit exceptions in each audit report in a manner that will make it clear to both the county superintendent of schools and the Superintendent which exceptions they are responsible for ensuring the correction of by a local educational agency. In addition, the Controller annually shall select a sampling of county superintendents of schools and perform a followup of the audit resolution process of those county superintendents of schools and report the results of that followup to the Superintendent and the county superintendents of schools that were reviewed.

(o) County superintendents of schools shall adjust subsequent local property tax requirements to correct audit exceptions relating to local educational agency tax rates and tax revenues.

(p) If a governing board or county superintendent of schools fails or is unable to make satisfactory arrangements for the audit pursuant to this section, the Controller shall make arrangements for the audit and the cost of the audit shall be paid from local educational agency funds or the county school service fund, as the case may be.

(q) Audits of regional occupational centers and programs are subject to the provisions of this section.

(r) This section does not authorize examination of, or reports on, the curriculum used or provided for in any local educational agency.

(s) Notwithstanding any other provision of law, a nonauditing, management, or other consulting service to be provided to a local educational agency by a certified public accounting firm while the certified public accounting firm is performing an audit of the agency pursuant to this section must be in accord with Government Accounting Standards, Amendment No. 3, as published by the United States General Accounting Office.

SEC. 10. Section 41327.2 of the Education Code is amended to read:

41327.2. (a) The appointment of an administrator pursuant to Section 41326 does not remove any statutory rights, duties, or obligations from the county superintendent of schools. The county superintendent of schools retains the responsibility to superintend school districts under his or her jurisdiction.

(b) The county superintendent of schools shall submit reports to the Superintendent, the appropriate fiscal and policy committees of the Legislature, the Director of Finance, and the Secretary for Education subsequent to review by the county superintendent of schools of the district's budget and interim reports in accordance with subdivisions (d) and (g) of, and paragraph (3) of subdivision (i) of, Section 42127, and paragraph (2) of subdivision (a) of, and subdivision (e) of, Section 42131. These reports shall document the fiscal and administrative status of the qualifying district, particularly in regard to the implementation of fiscal and management recovery plans. Each report shall also include a determination of whether the revenue streams to the district appear to be consistent with its expenditure plan, according to the most recent data available at the time of the report. These reports are required until six months after all rights, duties, and powers are returned to the school district pursuant to this article.

SEC. 11. Section 41344 of the Education Code is amended to read:

41344. (a) If, as the result of an audit or review, a local educational agency is required to repay an apportionment significant audit exception or to pay a penalty arising from an audit exception, the Superintendent and the Director of Finance, or their designees, shall jointly establish a plan for repayment of state school funds that the local educational agency received on the basis of average daily attendance, or other data, that did not comply with statutory or regulatory requirements that were conditions of the apportionments, or for payment of a penalty arising from an audit exception. A local educational agency shall request a plan within 90 days of receiving the final audit report or review, within 30 days of withdrawing or receiving a final determination regarding an appeal pursuant to subdivision (d), or, in the absence of an appeal pursuant to subdivision (d), within 30 days of withdrawing or receiving a determination of a summary review pursuant to subdivision (d) of Section 41344.1. At the

time the local educational agency is notified, the Controller shall also be notified of the plan. The plan shall be established in accordance with the following:

(1) The Controller shall withhold the disallowed or penalty amount at the next principal apportionment or pursuant to paragraph (2), unless subdivision (d) of this section or subdivision (d) of Section 41344.1 applies, in which case the disallowed or penalty amount shall be withheld, at the next principal apportionment or pursuant to paragraph (2) following the determination regarding the appeal or summary appeal. In calculating a disallowed amount, the Controller shall determine the total amount of overpayment received by the local educational agency on the basis of average daily attendance, or other data, reported by the local educational agency that did not comply with one or more statutory or regulatory requirements that are conditions of apportionment.

(2) If the Superintendent and the Director of the Department of Finance concur that repayment of the full liability or payment of the penalty in the current fiscal year would constitute a severe financial hardship for the local agency, they may approve a plan of equal annual payments over a period of up to eight years. The plan shall include interest on each year's outstanding balance at the rate earned on the state's Pooled Money Investment Account during that year. The Superintendent and the Director of the Department of Finance shall jointly establish this plan. The Controller shall withhold amounts pursuant to the plan.

(3) If the Superintendent and the Director of the Department of Finance do not jointly establish a plan, the Controller shall withhold the entire disallowed amount determined pursuant to paragraph (1), or the penalty amount, at the next principal apportionment.

(b) (1) For purposes of computing average daily attendance pursuant to Section 42238.5, a local educational agency's prior fiscal year average daily attendance shall be reduced by an amount equal to any average daily attendance disallowed in the current year, by an audit or review, as defined in subdivision (e).

(2) Commencing with the 1999-2000 fiscal year, this subdivision may not result in a local educational agency repaying more than the value of the average daily attendance disallowed in

the audit exception plus interest and other penalties or reductions in apportionments as provided by existing law.

(c) Notwithstanding any other provision of law, this section may not be waived under any authority set forth in this code except as provided in this section or Section 41344.1.

(d) Within 60 days of the date on which a local educational agency receives a final audit report resulting from an audit or review of all or any part of the operations of the local educational agency, or within 30 days of receiving a determination of a summary review pursuant to subdivision (d) of Section 41344.1, a local educational agency may appeal a finding contained in the final report, pursuant to Section 41344.1. Within 90 days of the date on which the appeal is received by the panel, a hearing shall be held at which the local educational agency may present evidence or arguments if the local educational agency believes that the final report contains any finding that was based on errors of fact or interpretation of law, or if the local educational agency believes in good faith that it was in substantial compliance with all legal requirements. A repayment schedule may not commence until the panel reaches a determination regarding the appeal. If the panel determines that the local educational agency is correct in its assertion, in whole or in part, the allowable portion of any apportionment payment that was withheld shall be paid at the next principal apportionment.

(e) As used in this section, “audit or review” means an audit conducted by the Controller’s office, an annual audit conducted by a certified public accountant or a public accounting firm pursuant to Section 41020, and an audit or review conducted by a governmental agency that provided the local educational agency with an opportunity to provide a written response.

SEC. 12. Section 41344.1 of the Education Code is amended to read:

41344.1. (a) The Education Audit Appeals Panel is hereby established as a separate state agency. Its membership shall consist of the Superintendent, the Director of the Department of Finance, and the Chief Executive Officer of the Fiscal Crisis and Management Assistance Team established pursuant to Section 42127.8 or their designees. The panel shall have the authority to expend funds, hire staff, make contracts, sue and be sued, and issue regulations in furtherance of its duties.

(b) The panel shall hear appeals filed pursuant to subdivision (d) of Section 41344. The Controller shall be a party to all appeals. The department and the Department of Finance may, at their election, timely intervene as a party in any appeal. The panel shall consider audit appeals pursuant to the administrative adjudication provisions of the Administrative Procedure Act (Chapter 4.5 (commencing with Section 11400) and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code), except that it may adopt regulations specifying special pleadings that shall govern audit appeals. The panel may approve settlements and make findings of fact and interpretations of law.

(c) Compliance with all legal requirements is a condition to the state's obligation to make apportionments. A condition may be deemed satisfied if the panel finds there has been compliance or substantial compliance with all legal requirements. "Substantial compliance" means nearly complete satisfaction of all material requirements of a funding program that provide an educational benefit substantially consistent with the program's purpose. A minor or inadvertent noncompliance may be grounds for a finding of substantial compliance provided that the local educational agency can demonstrate it acted in good faith to comply with the conditions established in law or regulation necessary for apportionment of funding. The panel may further define "substantial compliance" by issuing regulations or through adjudicative opinions, or both. If the panel finds there has been substantial compliance, the panel may waive or reduce the reimbursement or penalty amount and may also order other remedial measures sufficient to induce full compliance in the future. Other remedial measures may include restoration of a reduction or penalty amount if full compliance is not rendered in the future, ordering special audits, and requiring special training.

(d) In addition to the normal appeal process specified above, there is hereby created a voluntary, informal, summary appeals process for noncompliant audit exceptions that clearly constitute substantial compliance as that term is defined in subdivision (c). Requests for summary review shall be made to the executive officer of the panel who may seek comment from the Department of Finance or Superintendent. Summary review shall be sought



within 30 days of the date on which a local educational agency receives a final audit report resulting from an audit or review.

(1) If the executive officer concludes the conditions for finding substantial compliance are not clearly met or involve substantial questions of fact, the executive officer may deny the request for summary review and the appellant may pursue its claim through the normal appeal process.

(2) For appeals in which the total audit exceptions for full repayment or penalty constitute less than 150 units of average daily attendance or seven hundred fifty thousand dollars (\$750,000), whichever is less, the executive officer may waive or reduce the reimbursement or penalty upon a finding of substantial compliance and that other remedial measures are sufficient to induce full compliance in the future.

(3) For appeals in which the total audit exceptions for full repayment or penalty meet or exceed 150 units of average daily attendance or seven hundred fifty thousand dollars (\$750,000), whichever is greater, the executive officer may waive or reduce the reimbursement or penalty upon a finding of substantial compliance and order other remedial measures that are sufficient to induce full compliance in the future, if he or she has the written approval of the Department of Finance and the Superintendent. The executive officer shall provide the details of the proposed settlement and the rationale in writing to the Department of Finance and Superintendent and allow at least 30 days for their review.

(4) The right to appeal pursuant to subdivision (d) of Section 41344 is independent of this subdivision and an appellant may pursue his or her appeal under subdivision (b) regardless of the result under this subdivision. A local educational agency that has unresolved audit appeals pursuant to subdivision (d) of Section 41344 pending on January 1, 2003, may file a request for summary review under this subdivision for a period of 60 days after January 1, 2003.

SEC. 13. Section 41402 of the Education Code is amended to read:

41402. The maximum ratios of administrative employees to each 100 teachers in the various types of school districts shall be as follows:

(a) In elementary school districts—9.

(b) In unified school districts—8.

(c) In high school districts—7.

This section shall not apply to a school district that has one or fewer administrators.

SEC. 14. Section 41511 of the Education Code is amended to read:

41511. Funding for the school safety consolidated competitive grant shall include the funding previously apportioned to school districts for carrying out the purposes of the following programs:

(a) Safe school planning and partnership minigrants, as funded pursuant to Item 6110-226-0001 of Section 2.00 of the annual Budget Act.

(b) School community policing as set forth in Article 6 (commencing with Section 32296) of Chapter 2.5 of Part 19.

(c) Gang-risk intervention as set forth in Chapter 5.5 (commencing with Section 58730) of Part 31.

(d) Safety plans for new schools, as funded pursuant to Item 6110-228-0001 of Section 2.00 of the annual Budget Act. Grant funds distributed to a school district in order to carry out the purpose of this subdivision are offsetting revenues within the meaning of subdivision (e) of Section 17556 of the Government Code for any reimbursable mandated cost claim for the development of school safety plans as required by Section 32281 of the Education Code. A school district that accepts funds in order to carry out the purpose of this subdivision shall reduce its estimated and actual mandate reimbursement claim by the amount of funding provided to it in order to carry out the purposes of this subdivision.

(e) School community violence prevention, as funded pursuant to Item 6110-228-0001 of Section 2.00 of the annual Budget Act.

(f) Conflict resolution, as funded pursuant to Item 6110-228-0001 of Section 2.00 of the annual Budget Act.

SEC. 15. Section 41521 of the Education Code is amended to read:

41521. (a) The teacher credentialing block grant shall include funding previously apportioned to school districts for purposes of beginning teacher support and assessment as set forth in Article 4.5 (commencing with Section 44279.1) of Chapter 2 of Part 25.

(b) For purposes of issuing teaching credentials, certificates, or other authorizations, the Commission on Teacher Credentialing shall approve the programs described by subdivision (a). To ensure the Superintendent has the requisite information to allocate funding based on the number of participating credential candidates pursuant to this article, the commission shall inform the Superintendent on an ongoing basis of the approval status of these programs and numbers of participating candidates in each approved program.

SEC. 16. Section 41530 of the Education Code is amended to read:

41530. (a) There is hereby established the professional development block grant. Commencing with the 2005-06 fiscal year, the Superintendent shall apportion block grant funds to a school district based on the number of certificated teachers employed by the school district in the immediately prior fiscal year.

(b) A school district may expend funds received pursuant to this article for any purpose authorized by the programs listed in Section 41531, as the statutes governing those programs read on January 1, 2004.

(c) For purposes of this article, “school district” includes a county office of education if county offices of education are eligible to receive funds for the programs that are listed in Section 41531. The block grant of a county office of education shall be based only on those programs for which it was eligible to receive funds in the 2003-04 fiscal year.

SEC. 17. Section 41976 of the Education Code is amended to read:

41976. (a) For purposes of this chapter, the following classes and courses are authorized to be offered by school districts and county superintendents of schools for apportionment purposes from the adult education fund:

(1) Adult programs in parenting, including parent cooperative preschools, and classes in child growth and development, parent-child relationships, and parenting.

(2) Adult programs in elementary and secondary basic skills and other courses and classes required for the high school diploma. Apportionments for these courses and classes may only be generated by students who do not possess a high school

diploma, except for remedial academic courses or classes in reading, mathematics, and language arts.

(3) Adult education programs in English as a second language.

(4) Adult education programs for immigrants eligible for educational services in citizenship, English as a second language, and workforce preparation classes in the basic skills of speaking, listening, reading, writing, mathematics, decisionmaking and problem solving skills, and other classes required for preparation to participate in job specific technical training.

(5) Adult education programs for adults with disabilities.

(6) Adult short-term career technical education programs with high employment potential. Any reference to “vocational” education or programs in adult education means “career technical” education or programs in adult education.

(7) Adult programs for older adults.

(8) Adult education programs for apprentices.

(9) Adult programs in home economics.

(10) Adult programs in health and safety education.

(b) No state apportionment shall be made for any course or class which is not set forth in subdivision (a).

SEC. 18. Section 41976.5 of the Education Code is amended to read:

41976.5. (a) Each school district or county superintendent of schools providing services in summer school programs for adults with disabilities in the 1977-78 school year shall continue in the 1980-81 fiscal year and each fiscal year thereafter to offer these programs.

(b) A school district or county superintendent of schools receiving apportionments from Section A of the State School Fund shall offer summer programs for graduating high school seniors in need of courses for graduation.

SEC. 19. Section 42127 of the Education Code is amended to read:

42127. (a) On or before July 1 of each year, the governing board of each school district shall accomplish the following:

(1) Hold a public hearing on the budget to be adopted for the subsequent fiscal year. The budget to be adopted shall be prepared in accordance with Section 42126. The agenda for that hearing shall be posted at least 72 hours prior to the public

hearing and shall include the location where the budget will be available for public inspection.

(2) Adopt a budget. Not later than five days after that adoption or by July 1, whichever occurs first, the governing board shall file that budget with the county superintendent of schools. That budget and supporting data shall be maintained and made available for public review. If the governing board of the district does not want all or a portion of the property tax requirement levied for the purpose of making payments for the interest and redemption charges on indebtedness as described in paragraph (1) or (2) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, the budget shall include a statement of the amount or portion for which a levy shall not be made.

(b) The county superintendent of schools may accept changes in any statement included in the budget, pursuant to subdivision (a), of the amount or portion for which a property tax levy shall not be made. The county superintendent or the county auditor shall compute the actual amounts to be levied on the property tax rolls of the district for purposes that exceed apportionments to the district pursuant to Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code. Each school district shall provide all data needed by the county superintendent or the county auditor to compute the amounts. On or before August 15, the county superintendent shall transmit the amounts computed to the county auditor who shall compute the tax rates necessary to produce the amounts. On or before September 1, the county auditor shall submit the rate computed to the board of supervisors for adoption.

(c) The county superintendent of schools shall do all of the following:

(1) Examine the adopted budget to determine whether it complies with the standards and criteria adopted by the State Board of Education pursuant to Section 33127 for application to final local educational agency budgets. The county superintendent shall identify, if necessary, any technical corrections that are required to be made to bring the budget into compliance with those standards and criteria.

(2) Determine whether the adopted budget will allow the district to meet its financial obligations during the fiscal year and is consistent with a financial plan that will enable the district to

satisfy its multiyear financial commitments. In addition to his or her own analysis of the budget of each school district, the county superintendent of schools shall review and consider studies, reports, evaluations, or audits of the school district that were commissioned by the district, the county superintendent, the Superintendent, and state control agencies and that contain evidence that the school district is showing fiscal distress under the standards and criteria adopted in Section 33127 or that contain a finding by an external reviewer that more than three of the 15 most common predictors of a school district needing intervention, as determined by the County Office Fiscal Crisis and Management Assistance Team, are present. The county superintendent of schools shall either conditionally approve or disapprove a budget that does not provide adequate assurance that the district will meet its current and future obligations and resolve any problems identified in studies, reports, evaluations, or audits described in this paragraph.

(d) On or before August 15, the county superintendent of schools shall approve, conditionally approve, or disapprove the adopted budget for each school district. If a school district does not submit a budget to the county superintendent of schools, the county superintendent of schools shall, at district expense, develop a budget for that school district by September 15 and transmit that budget to the governing board of the school district. The budget prepared by the county superintendent of schools shall be deemed adopted, unless the county superintendent of schools approves any modifications made by the governing board of the school district. The approved budget shall be used as a guide for the district's priorities. The Superintendent shall review and certify the budget approved by the county. If, pursuant to the review conducted pursuant to subdivision (c), the county superintendent of schools determines that the adopted budget for a school district does not satisfy paragraph (1) or (2) of that subdivision, he or she shall conditionally approve or disapprove the budget and, not later than August 15, transmit to the governing board of the school district, in writing, his or her recommendations regarding revision of the budget and the reasons for those recommendations, including, but not limited to, the amounts of any budget adjustments needed before he or she can conditionally approve that budget. The county superintendent

of schools may assign a fiscal adviser to assist the district to develop a budget in compliance with those revisions. In addition, the county superintendent of schools may appoint a committee to examine and comment on the superintendent's review and recommendations, subject to the requirement that the committee report its findings to the superintendent no later than August 20.

(e) On or before September 8, the governing board of the school district shall revise the adopted budget to reflect changes in projected income or expenditures subsequent to July 1, and to include any response to the recommendations of the county superintendent of schools, shall adopt the revised budget, and shall file the revised budget with the county superintendent of schools. Prior to revising the budget, the governing board shall hold a public hearing regarding the proposed revisions, to be conducted in accordance with Section 42103. In addition, if the adopted budget is disapproved pursuant to subdivision (d), the governing board and the county superintendent of schools shall review the disapproval and the recommendations of the county superintendent of schools regarding revision of the budget at the public hearing. The revised budget and supporting data shall be maintained and made available for public review.

(f) On or before September 22, the county superintendent of schools shall provide a list to the Superintendent identifying all school districts for which budgets may be disapproved.

(g) The county superintendent of schools shall examine the revised budget to determine whether it (1) complies with the standards and criteria adopted by the State Board of Education pursuant to Section 33127 for application to final local educational agency budgets, (2) allows the district to meet its financial obligations during the fiscal year, (3) satisfies all conditions established by the county superintendent of schools in the case of a conditionally approved budget, and (4) is consistent with a financial plan that will enable the district to satisfy its multiyear financial commitments, and, not later than October 8, shall approve or disapprove the revised budget. If the county superintendent of schools disapproves the budget, he or she shall call for the formation of a budget review committee pursuant to Section 42127.1, unless the governing board of the school district and the county superintendent of schools agree to waive the requirement that a budget review committee be formed and the

department approves the waiver after determining that a budget review committee is not necessary. Upon the grant of a waiver, the county superintendent has the authority and responsibility provided to a budget review committee in Section 42127.3. Upon approving a waiver of the budget review committee, the department shall ensure that a balanced budget is adopted for the school district by November 30. If no budget is adopted by November 30, the Superintendent may adopt a budget for the school district. The Superintendent shall report to the Legislature and the Director of Finance by December 10 if any district, including a district that has received a waiver of the budget review committee process, does not have an adopted budget by November 30. This report shall include the reasons why a budget has not been adopted by the deadline, the steps being taken to finalize budget adoption, the date the adopted budget is anticipated, and whether the Superintendent has or will exercise his or her authority to adopt a budget for the school district.

(h) Not later than October 8, the county superintendent of schools shall submit a report to the Superintendent identifying all school districts for which budgets have been disapproved or budget review committees waived. The report shall include a copy of the written response transmitted to each of those districts pursuant to subdivision (d).

(i) Notwithstanding any other provision of this section, the budget review for a school district shall be governed by paragraphs (1), (2), and (3) of this subdivision, rather than by subdivisions (e) and (g), if the governing board of the school district so elects and notifies the county superintendent in writing of that decision, not later than October 31 of the immediately preceding calendar year. On or before July 1, the governing board of a school district for which the budget review is governed by this subdivision, rather than by subdivisions (e) and (g), shall conduct a public hearing regarding its proposed budget in accordance with Section 42103.

(1) If the adopted budget of a school district is disapproved pursuant to subdivision (d), on or before September 8, the governing board of the school district, in conjunction with the county superintendent of schools, shall review the superintendent's recommendations at a regular meeting of the governing board and respond to those recommendations. The



response shall include any revisions to the adopted budget and other proposed actions to be taken, if any, as a result of those recommendations.

(2) On or before September 22, the county superintendent of schools will provide a list to the Superintendent identifying all school districts for which a budget may be tentatively disapproved.

(3) Not later than October 8, after receiving the response required under paragraph (1), the county superintendent of schools shall review that response and either approve or disapprove the budget. If the county superintendent of schools disapproves the budget, he or she shall call for the formation of a budget review committee pursuant to Section 42127.1, unless the governing board of the school district and the county superintendent of schools agree to waive the requirement that a budget review committee be formed and the department approves the waiver after determining that a budget review committee is not necessary. Upon the grant of a waiver, the county superintendent has the authority and responsibility provided to a budget review committee in Section 42127.3. Upon approving a waiver of the budget review committee, the department shall ensure that a balanced budget is adopted for the school district by November 30. The Superintendent shall report to the Legislature and the Director of Finance by December 10 if any district, including a district that has received a waiver of the budget review committee process, does not have an adopted budget by November 30. This report shall include the reasons why a budget has not been adopted by the deadline, the steps being taken to finalize budget adoption, and the date the adopted budget is anticipated.

(4) Not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect the funding made available by that Budget Act.

(j) Any school district for which the county board of education serves as the governing board is not subject to subdivisions (c) to (h), inclusive, but is governed instead by the budget procedures set forth in Section 1622.

SEC. 20. Section 42132 of the Education Code is amended to read:

42132. On or before September 15 of each year, the governing board of each school district shall adopt a resolution to identify, pursuant to Division 9 (commencing with Section 7900) of Title 1 of the Government Code, the estimated appropriations limit for the district for the current fiscal year and the actual appropriations limit for the district for the preceding fiscal year. That resolution shall be adopted at a regular or special meeting of the governing board. Notwithstanding Section 7910 of the Government Code, documentation used in the identification of the appropriations limits shall be made available to the public on the date of the meeting.

SEC. 21. Section 42282 of the Education Code is amended to read:

42282. For each district with fewer than 2,501 units of second principal apportionment average daily attendance, on account of each necessary small school, the county superintendent shall make the following computations:

(a) For each necessary small school which has an average daily attendance during the fiscal year of less than 26, exclusive of pupils attending the 7th and 8th grades of a junior high school, and for which school at least one teacher was hired full time, the county superintendent shall compute for the district fifty-two thousand nine hundred twenty-five dollars (\$52,925).

(b) For each necessary small school which has an average daily attendance during the fiscal year of 26 or more and less than 51, exclusive of pupils attending the 7th and 8th grades of a junior high school, and for which school at least two teachers were hired full time for more than one-half of the days schools were maintained, the county superintendent shall compute for the district one hundred five thousand eight hundred fifty dollars (\$105,850).

(c) For each necessary small school which has an average daily attendance during the fiscal year of 51 or more but less than 76, exclusive of pupils attending the 7th and 8th grades of a junior high school, and for which school three teachers were hired full time for more than one-half of the days schools were maintained, the county superintendent shall compute for the

district one hundred fifty-eight thousand seven hundred seventy-five dollars (\$158,775).

(d) For each necessary small school which has an average daily attendance during the fiscal year of 76 or more and less than 101, exclusive of pupils attending the 7th and 8th grades of a junior high school, and for which school four teachers were hired full time for more than one-half of the days schools were maintained, the county superintendent shall compute for the district two hundred eleven thousand seven hundred dollars (\$211,700). These school districts may use this funding calculation until the revenue limit per unit of average daily attendance multiplied by the average daily attendance produces state aid equal to the small school funding formula.

(e) For the 1998-99 fiscal year and each fiscal year thereafter, the ranges of average daily attendance specified in subdivisions (a) to (d), inclusive, shall be reduced by the statewide average rate of excused absence reported for elementary school districts for the 1996-97 fiscal year pursuant to Section 42238.7, with the resultant figures and ranges rounded to the nearest integer.

SEC. 22. Section 42282.1 of the Education Code is amended to read:

42282.1. (a) Notwithstanding Section 42282, or any other provision of law, each necessary small school in the Death Valley Unified School District shall qualify for the apportionment specified in subdivision (b) of Section 42282 if that school has an average daily attendance of 21 or more and less than 51, exclusive of pupils attending the 7th and 8th grades of a junior high school, and for which school at least two teachers were hired full-time for more than one-half of the days schools were maintained.

(b) It is the intent of the Legislature not to provide a special allowance to the Death Valley Unified School District for one of its schools by future legislation if the average daily attendance at the school is 18 or less.

SEC. 23. Section 42285 of the Education Code is amended to read:

42285. (a) A necessary small high school for the purposes of Section 42284, is a high school with an average daily attendance of less than 301, excluding continuation schools, which comes within any of the following conditions (except that a single high

school maintained by a unified district, or a high school maintained by any district for the exclusive purpose of educating juvenile hall pupils or pupils with exceptional needs, shall be considered a necessary small high school):

(1) The projection of its future enrollment on the basis of the enrollment of the elementary schools in the district shows that within eight years the enrollment in high school in grades 9 to 12, inclusive, will exceed 300 pupils.

(2) Any one of the following combinations of distance and units of average daily attendance applies:

(A) The high school had an average daily attendance of less than 100 in grades 9 to 12, inclusive, during the preceding fiscal year and is more than 15 miles by well-traveled road from the nearest other public high school and either 90 percent of the pupils would be required to travel 20 miles or 25 percent of the pupils would be required to travel 30 miles one way from a point on a well-traveled road nearest their homes to the nearest other public high school.

(B) The high school had an average daily attendance of 100 or more and less than 150 in grades 9 to 12, inclusive, during the preceding fiscal year and is more than 10 miles by well-traveled road from the nearest other public high school and either 90 percent of the pupils would be required to travel 18 miles or 25 percent of the pupils would be required to travel 25 miles one way from a point on a well-traveled road nearest their homes to the nearest other public high school.

(C) The high school had an average daily attendance of 150 or more and less than 200 in grades 9 to 12, inclusive, during the preceding fiscal year and is more than 7 ½ miles by well-traveled road from the nearest other public high school and either 90 percent of the pupils would be required to travel 15 miles or 25 percent of the pupils would be required to travel 20 miles one way from a point on a well-traveled road nearest their homes to the nearest other public high school.

(D) The high school had an average daily attendance of 200 or more and less than 301 in grades 9 to 12, inclusive, during the preceding fiscal year and is more than five miles by well-traveled road from the nearest other public high school and either 90 percent of the pupils would be required to travel 10 miles or 25

percent of the pupils would be required to travel 15 miles to the nearest other public high school.

(3) Topographical or other conditions exist in the district which would impose unusual hardships on the pupils if the number of miles specified above were required to be traveled. In these cases, the Superintendent may, when requested, and after investigation, grant exceptions from the distance requirements.

(4) The Superintendent has approved the recommendation of a county committee on school district organization designating one of two or more schools as necessary isolated schools in a situation where the schools are operated by two or more districts and the average daily attendance of each of the schools is less than 301 in grades 9 to 12, inclusive.

(b) For the 1998-99 fiscal year and each fiscal year thereafter, the high school and junior high school average daily attendance figures specified in subdivision (a) and the ranges of average daily attendance specified in paragraph (2) of subdivision (a) shall be reduced by the statewide average rate of excused absence reported for high school districts for the 1996-97 fiscal year pursuant to Section 42238.7, with the resultant figures and ranges rounded to the nearest integer.

SEC. 23.5. Section 42285.2 of the Education Code is amended to read:

42285.2. (a) Notwithstanding any other provision of law, the Coachella Valley Unified School District is eligible to receive apportionments for the Sea View Elementary School and for the West Shores High School pursuant to the schedule for necessary small high schools set forth in Section 42284.

(b) If the amount of average daily attendance of either school exceeds 286, that school district shall no longer be entitled to receive apportionments as set forth in this section.

(c) Notwithstanding any other provision of law, the Coachella Valley Unified School District shall remain eligible to receive apportionments described in subdivision (a) until June 30, 2006, pursuant to Section 42286, at the end of which time the department shall review the average daily attendance numbers of each school described in subdivision (a) to determine whether the Coachella Valley Unified School District qualifies for continued funding as described in subdivision (a). If the department determines that either the Sea View Elementary School or the

West Shores High School, or both, qualifies for continued funding as described in subdivision (a), the Coachella Valley Unified School District shall remain eligible to receive apportionments, as described in subdivision (a), for the school that remains entitled to receive apportionments, or for both schools if both remain entitled to receive apportionments. Funding for one school, or for both schools, if applicable, shall continue in two-year increments, commencing on July 1, 2006, with a review of attendance numbers and a determination of eligibility for each school by the department every two years, commencing July 1, 2008.

SEC. 24. Section 42285.4 is added to the Education Code, to read:

42285.4. Notwithstanding any other provision of law, the River Delta Unified School District is eligible to receive apportionments pursuant to the schedule and criteria for small necessary high schools set forth in Section 42284 if the school district has no more than 3,000 units of average daily attendance.

SEC. 25. Section 44225.6 of the Education Code is amended to read:

44225.6. (a) By April 15 of each year, the commission shall report to the Legislature and the Governor on the availability of teachers in California. This report shall include the following information:

(1) The number of individuals recommended for credentials by institutions of higher education and the type of credential or certificate, or both, for which they were recommended, including certificates issued pursuant to Sections 44253.3 and 44253.4.

(2) The number of individuals recommended by school districts operating district internship programs and the type of credential or certificate, or both, for which they were recommended, including certificates issued pursuant to Sections 44253.3 and 44253.4.

(3) The number of individuals receiving an initial credential based on a program completed outside of California and the type of credential or certificate, or both, for which they were recommended, including certificates issued pursuant to Sections 44253.3 and 44253.4.

(4) The number of individuals receiving an emergency permit, credential waiver, or other authorization that does not meet the

definition of a highly qualified teacher under the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).

(5) The number of individuals receiving the certificate of completion of staff development in methods of specially designed content instruction delivered in English pursuant to subdivision (d) of Section 44253.10.

(6) Statewide, by county, and by school district, the number of individuals serving in the following capacities and as a percentage of the total number of individuals serving as teachers statewide, in the county, and in the school district:

- (A) University internship.
- (B) District internship.
- (C) Preinternship.
- (D) Emergency permit.
- (E) Credential waiver.
- (F) Preliminary or professional clear credential.
- (G) An authorization, other than those listed in this paragraph, that does not meet the definition of a highly qualified teacher under the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) by category of authorization.

(H) Certificate issued pursuant to Section 44253.3.

(I) Certificates issued pursuant to Section 44253.3, 44253.4, or 44253.10, if available.

(J) The number of individuals serving English learner pupils in settings calling for English language development, in settings calling for specially designed academic instruction in English, or in primary language instruction, without the appropriate authorization under Section 44253.3, 44253.4, or 44253.10, or under another statute, if available. The Commission on Teacher Credentialing may utilize data from the department's Annual Language Census Survey to report the data required pursuant to this paragraph.

(7) The specific subjects and teaching areas in which there are a sufficient number of new holders of credentials to fill the positions currently held by individuals with emergency permits.

(b) The commission shall make this report available to school districts and county offices of education to assist them in the recruitment of credentialed teachers and shall make the report and supporting data publicly available on the commission's Web site.

(c) A common measure of whether teacher preparation programs are meeting the challenge of preparing increasing numbers of new teachers is the number of teaching credentials awarded. The number of teaching credentials recommended by these programs and awarded by the commission are indicators of the productivity of teacher preparation programs. The commission shall include in the report prepared for the Legislature and Governor pursuant to subdivision (a) the total number of teaching credentials recommended by all accredited teacher preparation programs authorized by the commission and the number recommended by each of the following:

- (1) The University of California system.
- (2) The California State University system.
- (3) Independent colleges and universities that offer teacher preparation programs approved by the commission.
- (4) Other institutions that offer teacher preparation programs approved by the commission.

SEC. 26. Section 44252.1 of the Education Code is amended to read:

44252.1. (a) It is the intent of the Legislature that a credential candidate enrolled in a credential preparation program receive reasonable time to complete the program without meeting new requirements, including, but not limited to, requirements added by statutes, regulations, or commission standards, after the candidate's enrollment in the program. Further, to ensure that all candidates for a credential receive reasonable information and advice as they proceed through their program, the Legislature finds and declares that it is incumbent upon credential preparation programs to inform candidates of new requirements and extension provisions available to eligible candidates.

(b) For the purposes of this section, the following terms shall have the following meanings:

- (1) "Enrolled" refers to an individual who, on or after January 1, 2002, continuously participates in and is working toward completing the requirements for a program that meets the minimum requirements for a California preliminary multiple or single subject teaching credential as specified in Section 44259. Whether an individual is enrolled shall be subject to verification by the Commission on Teacher Credentialing.



(2) “Continuously enrolled” refers to an individual who has begun a teacher preparation program and does not have a break in that participation that exceeds a period of 18 months.

(c) The commission shall adopt regulations to provide a credential candidate enrolled in a commission-accredited preparation program, including, but not limited to, an internship program as defined in Article 7.5 (commencing with Section 44325) and Article 3 (commencing with Section 44450), a professional preparation program as defined in Article 7 (commencing with Section 44320), or an integrated program of professional preparation as defined in Section 44259.1 with a grace period to complete the program without meeting new requirements, including, but not limited to, requirements added by statutes, regulations, or commission standards, after the candidate’s enrollment in the program. The commission shall also ensure through standards and accreditation procedures that credential preparation programs provide credential candidates with information about new requirements and extension provisions as outlined in this subdivision and subdivisions (d) and (e).

(1) The commission shall adopt regulations that provide a credential candidate enrolled in a commission-accredited preparation program time of not less than 24 months after enrollment in the program, during which time new or amended statutes, regulations, and commission standards that become effective and are imposed on credential candidates after the candidate’s enrollment date shall not apply to that candidate.

(2) The commission shall allow a credential candidate an extension of time in addition to the time specified pursuant to paragraph (1) to complete a credential program under the statutes, regulations, and commission standards in place at the time of the candidate’s enrollment if the candidate can demonstrate extenuating circumstances, including, but not limited to, personal or family illness, bereavement, or financial hardship and develops a plan, in consultation with the credential preparation program, for continued progress toward completion of the preparation program.

(d) The commission shall maintain a list of candidates who are allowed an extended time period to complete the program under the statutes, regulations, and commission standards in place at the

time of the candidates' enrollment prior to the effective date of a new or amended statute, regulation, or standard. This list shall include the projected date of program completion for each candidate.

(e) (1) A credential candidate enrolled in an integrated program of professional preparation pursuant to subdivision (a) of Section 44259.1 is not subject to any new requirements added by statute, regulation, or commission standards if that candidate is continuously enrolled in the program, as defined in paragraph (2) of subdivision (b), and does not change the type of credential or program he or she is pursuing once enrolled.

(2) A credential candidate continuously enrolled in an integrated program of professional preparation pursuant to subdivision (a) of Section 44259.1 who has completed all requirements necessary to begin the student teaching component of his or her program shall be eligible to receive an extension of 12 months, if necessary, to complete the outstanding requirements that were in place when that credential candidate began the preparation program, and shall not be subject to any new requirements added by statute, regulation, or commission standards, once that candidate begins the student teaching portion of his or her program.

(3) This subdivision does not limit the ability of a candidate to seek additional time to complete a credential pursuant to paragraph (2) of subdivision (c).

(4) By June 30, 2004, the commission shall report to the education policy committees in each house of the Legislature on the success of the integrated program of professional development pursuant to Section 44259.1 toward preparing teacher candidates, including, but not limited to, the number of students admitted to the teacher education component in each program, the number of students who have completed all course requirements, including student teaching, and who have applied for a credential, the number of students applying for and receiving an extension pursuant to subdivision (e), and the information collected pursuant to subdivision (d).

(f) This section does not supersede subdivision (h) of Section 44259.

(g) A modification of a credentialing examination by the commission that is made as the result of a validity study or a

passing standard study shall not be considered a new requirement for purposes of this section.

(h) If credential preparation coursework that a credential candidate has not yet taken is modified, the candidate shall take the modified coursework instead of the previously required coursework unless the modified coursework is not readily available, the modified coursework would result in an increased cost to the candidate, or completion of the modified coursework would delay the candidate's completion of the credential preparation program.

(i) Once a candidate has received a preliminary California teaching credential pursuant to Section 44259 and is employed as the teacher of record in a California public school, the candidate shall not be subject to any new requirements for completing the induction phase required to obtain the professional clear teaching credential pursuant to Section 44279.4, for a period not to exceed the length of time provided for the preliminary teaching credential pursuant to Section 44251.

SEC. 26.5. Section 44258.9 of the Education Code is amended to read:

44258.9. (a) The Legislature finds that continued monitoring of teacher assignments by county superintendents of schools will ensure that the rate of teacher misassignment remains low. To the extent possible and with funds provided for that purpose, each county superintendent of schools shall perform the duties specified in subdivisions (b) and (c).

(b) (1) Each county superintendent of schools shall monitor and review school district certificated employee assignment practices in accordance with the following:

(A) Annually monitor and review schools and school districts that are likely to have problems with teacher misassignments and teacher vacancies, as defined in subparagraphs (A) and (B) of paragraph (5) of subdivision (b) of Section 33126, based on past experience or other available information.

(B) Annually monitor and review schools ranked in deciles 1 to 3, inclusive, of the 2003 base Academic Performance Index, as defined in subdivision (b) of Section 17592.70, if those schools are not currently under review through a state or federal intervention program. If a review completed pursuant to this subparagraph finds that a school has no teacher misassignments

or teacher vacancies for two consecutive years, the next review of that school may be conducted according to the cycle specified in subparagraph (C), unless the school meets the criteria of subparagraph (A).

(C) All other schools on a four-year cycle.

(2) Each county superintendent of schools shall investigate school and district efforts to ensure that any credentialed teacher serving in an assignment requiring a certificate issued pursuant to Section 44253.3, 44253.4, or 44253.7 or training pursuant to Section 44253.10 completes the necessary requirements for these certificates or completes the required training.

(3) The Commission on Teacher Credentialing shall be responsible for the monitoring and review of those counties or cities and counties in which there is a single school district, including the Counties of Alpine, Amador, Del Norte, Mariposa, Plumas, and Sierra, and the City and County of San Francisco. All information related to the misassignment of certificated personnel and teacher vacancies shall be submitted to each affected district within 30 calendar days of the monitoring activity.

(c) County superintendents of schools shall submit an annual report to the Commission on Teacher Credentialing and the department summarizing the results of all assignment monitoring and reviews. These reports shall include, but need not be limited to, the following:

(1) The numbers of teachers assigned and types of assignments made by the governing board of a school district under the authority of Sections 44256, 44258.2, and 44263.

(2) Information on actions taken by local committees on assignment, including the number of assignments authorized, subject areas into which committee-authorized teachers are assigned, and evidence of any departures from the implementation plans presented to the county superintendent by school districts.

(3) Information on each school district reviewed regarding misassignments of certificated personnel, including efforts to eliminate these misassignments.

(4) (A) Information on certificated employee assignment practices in schools ranked in deciles 1 to 3, inclusive, of the 2003 base Academic Performance Index, as defined in

subdivision (b) of Section 17592.70, to ensure that, at a minimum, in any class in these schools in which 20 percent or more pupils are English learners the assigned teacher possesses a certificate issued pursuant to Section 44253.3 or 44253.4 or has completed training pursuant to Section 44253.10 or is otherwise authorized by statute.

(B) This paragraph shall not relieve a school district from compliance with state and federal law regarding teachers of English learners or be construed to alter the definition of “misassignment” in subparagraph (B) of paragraph (5) of subdivision (b) of Section 33126.

(5) After consultation with representatives of county superintendents of schools, other information as may be determined to be needed by the Commission on Teacher Credentialing.

(d) The Commission on Teacher Credentialing shall submit biennial reports to the Legislature concerning teacher assignments and misassignments which shall be based, in part, on the annual reports of the county superintendents of schools.

(e) (1) The Commission on Teacher Credentialing shall establish reasonable sanctions for the misassignment of credentialholders.

Prior to the implementation of regulations establishing sanctions, the Commission on Teacher Credentialing shall engage in a variety of activities designed to inform school administrators, teachers, and personnel within the offices of county superintendents of schools of the regulations and statutes affecting the assignment of certificated personnel. These activities shall include the preparation of instructive brochures and the holding of regional workshops.

(2) Commencing July 1, 1989, any certificated person who is required by an administrative superior to accept an assignment for which he or she has no legal authorization shall, after exhausting any existing local remedies, notify the county superintendent of schools in writing of the illegal assignment. The county superintendent of schools shall, within 15 working days, advise the affected certificated person concerning the legality of his or her assignment. There shall be no adverse action taken against a certificated person who files a notification of misassignment with the county superintendent of schools. During

the period of the misassignment, the certificated person who files a written notification with the county superintendent of schools shall be exempt from the provisions of Section 45034. If it is determined that a misassignment has taken place, any performance evaluation of the employee under Sections 44660 to 44664, inclusive, in any misassigned subject shall be nullified.

(3) The county superintendent of schools shall notify, through the office of the school district superintendent, any certificated school administrator responsible for the assignment of a certificated person to a position for which he or she has no legal authorization of the misassignment and shall advise him or her to correct the assignment within 30 calendar days. The county superintendent of schools shall notify the Commission on Teacher Credentialing of the misassignment if the certificated school administrator has not corrected the misassignment within 30 days of the initial notification, or if the certificated school administrator has not described, in writing, within the 30-day period, to the county superintendent of schools the extraordinary circumstances which make this correction impossible.

(4) The county superintendent of schools shall notify any superintendent of a school district in which 5 percent or more of all certificated teachers in the secondary schools are found to be misassigned of the misassignments and shall advise him or her to correct the misassignments within 120 calendar days. The county superintendent of schools shall notify the Commission on Teacher Credentialing of the misassignments if the school district superintendent has not corrected the misassignments within 120 days of the initial notification, or if the school district superintendent of schools has not described, in writing, within the 120-day period, to the county superintendent of schools the extraordinary circumstances which make this correction impossible.

(f) An applicant for a professional administrative service credential shall be required to demonstrate knowledge of existing credentialing laws, including knowledge of assignment authorizations.

(g) The Superintendent shall submit a summary of the reports submitted by county superintendents pursuant to subdivision (c) to the Legislature. The Legislature may hold, within a reasonable period after receipt of the summary, public hearings on pupil

access to teachers and to related statutory provisions. The Legislature may also assign one or more of the standing committees or a joint committee, to determine the following:

(1) The effectiveness of the reviews required pursuant to this section.

(2) The extent, if any, of vacancies and misassignments, as defined in subparagraphs (A) and (B) of paragraph (5) of subdivision (b) of Section 33126.

(3) The need, if any, to assist schools ranked in deciles 1 to 3, inclusive, of the 2003 base Academic Performance Index, as defined in subdivision (b) of Section 17592.70, to eliminate vacancies and misassignments.

SEC. 27. Section 44265.6 is added to the Education Code, to read:

44265.6. (a) Upon the request of an employing school district, county office of education or state special school, the Commission on Teacher Credentialing shall determine specific requirements for and issue a one-year specialist instruction emergency permit, solely for the purpose of instructing deaf or hearing-impaired pupils, to any prelingually deaf candidate upon medical or other appropriate professional verifications.

(b) The applicant is exempted from the requirements in Section 44252 and subdivision (b) of Section 44830.

(c) “Prelingually deaf” means, for purposes of this section, as having suffered a hearing loss prior to three years of age that prevents the processing of linguistic information through hearing, with or without amplification.

(d) The emergency specialist instruction permit issued under this section authorizes the holder to teach deaf and hearing-impaired pupils who are enrolled in state special schools or in special classes for pupils with hearing impairments.

(e) A one-year specialist instruction emergency permit issued pursuant to subdivision (a) may be reissued at the request of the employing school district, county office of education or state special school in accordance with criteria determined by the Commission on Teacher Credentialing.

SEC. 28. Section 44664 of the Education Code is amended to read:

44664. (a) Evaluation and assessment of the performance of each certificated employee shall be made on a continuing basis as follows:

- (1) At least once each school year for probationary personnel.
- (2) At least every other year for personnel with permanent status.
- (3) At least every five years for personnel with permanent status who have been employed at least 10 years with the school district, are highly qualified, if those personnel occupy positions that are required to be filled by a highly qualified professional by the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301, et seq.), as defined in 20 U.S.C. Sec. 7801, and whose previous evaluation rated the employee as meeting or exceeding standards, if the evaluator and certificated employee being evaluated agree. The certificated employee or the evaluator may withdraw consent at any time.

(b) The evaluation shall include recommendations, if necessary, as to areas of improvement in the performance of the employee. If an employee is not performing his or her duties in a satisfactory manner according to the standards prescribed by the governing board, the employing authority shall notify the employee in writing of that fact and describe the unsatisfactory performance. The employing authority shall thereafter confer with the employee making specific recommendations as to areas of improvement in the employee's performance and endeavor to assist the employee in his or her performance. If any permanent certificated employee has received an unsatisfactory evaluation, the employing authority shall annually evaluate the employee until the employee achieves a positive evaluation or is separated from the district.

(c) Any evaluation performed pursuant to this article which contains an unsatisfactory rating of an employee's performance in the area of teaching methods or instruction may include the requirement that the certificated employee shall, as determined necessary by the employing authority, participate in a program designed to improve appropriate areas of the employee's performance and to further pupil achievement and the instructional objectives of the employing authority. If a district participates in the Peer Assistance and Review Program for Teachers established pursuant to Article 4.5 (commencing with



Section 44500), any certificated employee who receives an unsatisfactory rating on an evaluation performed pursuant to this section shall participate in the Peer Assistance and Review Program for Teachers.

(d) Hourly and temporary hourly certificated employees, other than those employed in adult education classes who are excluded by the provisions of Section 44660, and substitute teachers may be excluded from the provisions of this section at the discretion of the governing board.

SEC. 29. Section 45037 of the Education Code is amended to read:

45037. (a) Except as provided in Section 45036, for the fiscal year 2001-02 and for any fiscal year thereafter in which a person renders service as a teacher in kindergarten or any of grades 1 to 12, inclusive, who does not have a valid certification document, the school district or county office of education in which the person is employed shall be assessed a penalty that shall be in lieu of any loss of funding that would otherwise result under Chapter 6.10 (commencing with Section 52120) of Part 28. The penalty shall be calculated as provided in subdivision (b) and withheld from state funding otherwise due to the district or county office of education.

(1) Notwithstanding Section 46300, the attendance of the noncertificated person's pupils during the period of service shall be included in the computation of average daily attendance.

(2) The noncertificated person's period of service shall not be excluded from the determination of eligibility for incentive funding for a longer instructional day or year, or both, pursuant to Article 8 (commencing with Section 46200) of Chapter 2 of Part 26.

(b) (1) For each person who rendered service in the employment of the district or county office of education as a teacher in kindergarten or any of grades 1 to 12, inclusive, during the fiscal year, add the total number of schooldays on which the person rendered any amount of the service.

(2) For each person who rendered service in the employment of the district or county office of education as a teacher in kindergarten or any of grades 1 to 12, inclusive, during the fiscal year, for a period of service during which the person did not have a valid certification document, add the number of schooldays on

which the person rendered any amount of the service without a valid certification document.

(3) Divide the number determined in paragraph (2) by the number determined in paragraph (1) and carry the result to four decimal places.

(4) Multiply a school district's revenue limit entitlement for the fiscal year, calculated pursuant to Section 42238, or its funding amount calculated pursuant to Article 4 (commencing with Section 42280) of Chapter 7 of Part 24, as applicable, or a county office of education's funding for the fiscal year, for the program in which the noncertificated person rendered service by the number determined in paragraph (3).

(c) Beginning in 2002-03, if a county office of education releases a warrant in favor of a person for whom a period of school district service is included in the calculation set forth in paragraph (2) of subdivision (b), and the warrant is either compensation for employment as a teacher or for employment in some other capacity if the county office of education has direct knowledge or is in possession of information giving rise to a reasonable inference that the person is rendering service as a teacher, the county office shall be assessed a penalty. The penalty assessed to a county office for any fiscal year in which one or more district teachers did not have a valid certification document shall be equal to the lesser of three amounts as follows:

(1) Fifty percent of all penalties assessed for that fiscal year to all school districts in the county office's jurisdiction pursuant to subdivision (b).

(2) One-half percent of the total expenditures for that fiscal year from unrestricted resources, as defined in the California School Accounting Manual, in the county office's county school service fund, when two or fewer districts in the county office's jurisdiction are subject to penalties pursuant to subdivision (b).

(3) One percent of the total expenditures for that fiscal year from unrestricted resources, as defined in the California School Accounting Manual, in the county office's county school service fund, when three or more districts in the county office's jurisdiction are subject to penalties pursuant to subdivision (b).

(d) Except as provided in Section 41344.1, nothing in this section may be waived in whole or in part.

SEC. 30. Section 48213 of the Education Code is repealed.

SEC. 31. Section 48213 is added to the Education Code, to read:

48213. If a pupil is excluded from attendance pursuant to Section 120230 of the Health and Safety Code or Section 49451 of this code, or if a principal or his or her designee determines that the continued presence of the child would constitute a clear and present danger to the life, safety, or health of a pupil or school personnel, the governing board is not required to send prior notice of the exclusion to the parent or guardian of the pupil. The governing board shall send a notice of the exclusion as soon as is reasonably possible after the exclusion.

SEC. 32. Section 48660.2 of the Education Code is amended to read:

48660.2. (a) Notwithstanding any other provision of law, and as a condition of receiving apportionments under this article, school districts operating one or more community day schools shall annually report to the Superintendent, on forms approved by the State Board of Education, the direct instructional costs and documented support costs of their community day schools, using definitions included in the California School Accounting Manual, Part I, as it read on July 1, 1997, except that districts may include in these reports the costs of rents and leases for facilities used by community day schools and maintenance and operations costs for facilities used by community day schools. Each school district that has received approval from the department to use the standardized account code structure may satisfy the requirement set forth in this subdivision by reporting the direct costs of the community day school program, and shall maintain documentation of all noninstructional costs charged to the community day school program.

(b) The Superintendent shall do each of the following:

(1) Multiply the total of all funds received by each school district on behalf of pupils while enrolled in community day schools by 0.9.

(2) Subtract the total of each school district's costs for community day schools, as determined pursuant to subdivision (a), from the amount determined pursuant to paragraph (1).

(3) If the amount determined pursuant to paragraph (2) for a school district is positive, the Superintendent shall subtract that amount from the school district's next apportionment.

(c) (1) For purposes of making the computation required by paragraph (1) of subdivision (b) for the 2004-05 fiscal year, the “total of all funds received” means the total of all funds received in the 2002-03 to 2004-05 fiscal years, inclusive.

(2) For purposes of making the computation required by paragraph (2) of subdivision (b) for the 2004-05 fiscal year, the “school district’s costs” means the school district’s costs incurred in the 2002-03 to 2004-05 fiscal years, inclusive.

SEC. 33. Section 48900.8 of the Education Code is amended to read:

48900.8. For purposes of notification to parents, and for the reporting of expulsion or suspension offenses to the department, each school district shall specifically identify, by offense committed, in all appropriate official records of a pupil each suspension or expulsion of that pupil for the commission of any of the offenses set forth in Section 48900, 48900.2, 48900.3, 48900.4, 48900.7, or 48915.

SEC. 34. Section 48980 of the Education Code is amended to read:

48980. (a) At the beginning of the first semester or quarter of the regular school term, the governing board of each school district shall notify the parent or guardian of a minor pupil regarding the right or responsibility of the parent or guardian under Sections 35291, 46014, 48205, 48207, 48208, 49403, 49423, 49451, 49472, and 51938 and Chapter 2.3 (commencing with Section 32255) of Part 19.

(b) The notification also shall advise the parent or guardian of the availability of individualized instruction as prescribed by Section 48206.3, and of the program prescribed by Article 9 (commencing with Section 49510) of Chapter 9.

(c) The notification shall also advise the parents and guardians of all pupils attending a school within the district of the schedule of minimum days and pupil-free staff development days, and if any minimum or pupil-free staff development days are scheduled thereafter, the governing board shall notify parents and guardians of the affected pupils as early as possible, but not later than one month before the scheduled minimum or pupil-free day.

(d) The notification also may advise the parent or guardian of the importance of investing for future college or university education for their children and of considering appropriate

investment options including, but not limited to, United States Savings Bonds.

(e) Commencing with the 2000-01 school year, and each school year thereafter, the notification shall advise the parent or guardian of the pupil that, commencing with the 2003-04 school year, and each school year thereafter, each pupil completing 12th grade will be required to successfully pass the high school exit examination administered pursuant to Chapter 8 (commencing with Section 60850) of Part 33. The notification shall include, at a minimum, the date of the examination, the requirements for passing the examination, and shall inform the parents and guardians regarding the consequences of not passing the examination and shall inform parents and guardians that passing the examination is a condition of graduation.

(f) Each school district that elects to provide a fingerprinting program pursuant to Article 10 (commencing with Section 32390) shall inform parents or guardians of the program as specified in Section 32390.

(g) The notification shall also include a copy of the district's written policy on sexual harassment established pursuant to Section 212.6, as it relates to pupils.

(h) The notification shall advise the parent or guardian of all existing statutory attendance options and local attendance options available in the school district. That notification shall include all options for meeting residency requirements for school attendance, programmatic options offered within the local attendance areas, and any special programmatic options available on both an interdistrict and intradistrict basis. That notification shall also include a description of all options, a description of the procedure for application for alternative attendance areas or programs, an application form from the district for requesting a change of attendance, and a description of the appeals process available, if any, for a parent or guardian denied a change of attendance. The notification shall also include an explanation of the existing statutory attendance options including, but not limited to, those available under Section 35160.5, Chapter 5 (commencing with Section 46600) of Part 26, subdivision (f) of Section 48204, and Article 1.5 (commencing with Section 48209) of Chapter 2 of Part 27. The department shall produce

this portion of the notification and shall distribute it to all school districts.

(i) It is the intent of the Legislature that the governing board of each school district annually review the enrollment options available to the pupils within their districts and that the school districts strive to make available enrollment options that meet the diverse needs, potential, and interests of California's pupils.

(j) The notification shall advise the parent or guardian that no pupil may have his or her grade reduced or lose academic credit for any absence or absences excused pursuant to Section 48205 if missed assignments and tests that can reasonably be provided are satisfactorily completed within a reasonable period of time, and shall include the full text of Section 48205.

(k) The notification shall advise the parent or guardian of the availability of state funds to cover the costs of advanced placement examination fees pursuant to Section 52244.

SEC. 35. Section 49423 of the Education Code is amended to read:

49423. (a) Notwithstanding Section 49422, any pupil who is required to take, during the regular schoolday, medication prescribed for him or her by a physician or surgeon, may be assisted by the school nurse or other designated school personnel or may carry and self-administer prescription auto-injectable epinephrine if the school district receives the appropriate written statements identified in subdivision (b).

(b) (1) In order for a pupil to be assisted by a school nurse or other designated school personnel pursuant to subdivision (a), the school district shall obtain both a written statement from the physician detailing the name of the medication, method, amount, and time schedules by which the medication is to be taken and a written statement from the parent, foster parent, or guardian of the pupil indicating the desire that the school district assist the pupil in the matters set forth in the statement of the physician.

(2) In order for a pupil to carry and self-administer prescription auto-injectable epinephrine pursuant to subdivision (a), the school district shall obtain both a written statement from the physician or surgeon detailing the name of the medication, method, amount, and time schedules by which the medication is to be taken, and confirming that the pupil is able to self-administer auto-injectable epinephrine, and a written

statement from the parent, foster parent, or guardian of the pupil consenting to the self-administration, providing a release for the school nurse or other designated school personnel to consult with the health care provider of the pupil regarding any questions that may arise with regard to the medication, and releasing the school district and school personnel from civil liability if the self-administering pupil suffers an adverse reaction as a result of self-administering medication pursuant to this paragraph.

(3) The written statements specified in this subdivision shall be provided at least annually and more frequently if the medication, dosage, frequency of administration, or reason for administration changes.

(c) A pupil may be subject to disciplinary action pursuant to Section 48900 if that pupil uses auto-injectable epinephrine in a manner other than as prescribed.

SEC. 36. Section 49423.1 of the Education Code is amended to read:

49423.1. (a) Notwithstanding Section 49422, any pupil who is required to take, during the regular schoolday, medication prescribed for him or her by a physician or surgeon, may be assisted by the school nurse or other designated school personnel or may carry and self-administer inhaled asthma medication if the school district receives the appropriate written statements specified in subdivision (b).

(b) (1) In order for a pupil to be assisted by a school nurse or other designated school personnel pursuant to subdivision (a), the school district shall obtain both a written statement from the physician or surgeon detailing the name of the medication, method, amount, and time schedules by which the medication is to be taken and a written statement from the parent, foster parent, or guardian of the pupil requesting that the school district assist the pupil in the matters set forth in the statement of the physician or surgeon.

(2) In order for a pupil to carry and self-administer prescription inhaled asthma medication pursuant to subdivision (a), the school district shall obtain both a written statement from the physician or surgeon detailing the name of the medication, method, amount, and time schedules by which the medication is to be taken, and confirming that the pupil is able to self-administer inhaled asthma medication, and a written

statement from the parent, foster parent, or guardian of the pupil consenting to the self-administration, providing a release for the school nurse or other designated school personnel to consult with the health care provider of the pupil regarding any questions that may arise with regard to the medication, and releasing the school district and school personnel from civil liability if the self-administering pupil suffers an adverse reaction by taking medication pursuant to this section.

(3) The written statements specified in this subdivision shall be provided at least annually and more frequently if the medication, dosage, frequency of administration, or reason for administration changes.

(c) A pupil may be subject to disciplinary action pursuant to Section 48900 if that pupil uses inhaled asthma medication in a manner other than as prescribed.

SEC. 37. Section 51226.1 of the Education Code is amended to read:

51226.1. (a) Upon adoption of the model curriculum standards developed pursuant to Section 51226, the Superintendent shall develop a curriculum framework consistent with criteria set forth in subdivision (a) of Section 60005 that offers a blueprint for implementation of career and technical education. The framework shall be adopted no later than November 1, 2006.

(b) In developing the framework, the Superintendent shall work in consultation and coordination with an advisory group, including, but not limited to, representatives from all of the following:

- (1) Business and industry.
- (2) Labor.
- (3) The California Community Colleges.
- (4) The University of California.
- (5) The California State University.
- (6) Classroom teachers.
- (7) School administrators.
- (8) Pupils.
- (9) Parents and guardians.
- (10) Representatives of the Legislature.
- (11) The department.
- (12) The Labor and Workforce Development Agency.



(c) In convening the membership of the advisory group set forth in subdivision (b), the Superintendent is encouraged to seek representation broadly reflective of the state population.

(d) Costs incurred by the superintendent in complying with this section shall be covered, to the extent permitted by federal law, by the state administrative and leadership funds available pursuant to the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. Sec. 2301 et seq.).

(e) In developing the framework, the Superintendent shall consider developing frameworks for various career pathways that will prepare pupils for both career entry and matriculation into postsecondary education.

(f) Upon completion of the framework, the advisory group is encouraged to identify career technical education courses that meet state-adopted academic content standards and that satisfy high school graduation requirements and admissions requirements of the University of California and the California State University, and to determine the extent to which local educational agencies accept credit earned for the completion of those courses, in lieu of other courses of study.

(g) The adoption of the framework developed and adopted pursuant to this section by a local educational agency shall be voluntary.

SEC. 38. Section 52247 of the Education Code is repealed.

SEC. 39. Section 52515 of the Education Code is amended to read:

52515. State funds shall not be apportioned to a school district based on the attendance of students enrolled in adult schools, unless the courses have been approved by the department pursuant to Section 41976.

SEC. 40. Section 52520 of the Education Code is amended to read:

52520. (a) Every vocational or occupational training program for adults offered by any high school district or unified school district shall be reviewed every two years by the governing board to assure that each program does all of the following:

- (1) Meets a documented labor market demand.
- (2) Does not represent unnecessary duplication of other manpower training programs in the area.

(3) Is of demonstrated effectiveness as measured by the employment and completion success of its students.

(b) Any program that does not meet the requirements of subdivision (a) and the standards promulgated by the governing board shall be terminated within one year.

(c) The review process required by this section shall include the review and comments by the local workforce Investment board established pursuant to the Workforce Investment Act of 1998 (29 U.S.C. Sec. 2801 et seq.), and pursuant to (Division 8 (commencing with Section 15000) of the Unemployment Insurance Code), which review and comments shall occur prior to any decision by the appropriate governing body.

SEC. 41. Section 52570 of the Education Code is amended to read:

52570. The governing board of any school district maintaining secondary schools or the county superintendent of schools, shall have the power, with the approval of the Department of Education, to establish special classes for adults designed to serve the educational needs of adults with disabilities. These classes shall be directed to providing instruction in civic, vocational, literary, homemaking, technical, and general education and shall conform to standards of attendance, curriculum, and administration established by the department. Attendance of adults with disabilities in such classes established by the county superintendent of schools shall be included for purposes of apportionments to the county school service fund.

SEC. 42. Section 52571 of the Education Code is amended to read:

52571. Special classes for adults with disabilities may be conducted under the direction of the governing board of the school district in workshop and training facilities provided by nonprofit organizations, or in public school facilities. These facilities may include those where part-time paid work education and training is conducted and where less than the state minimum wage is paid.

SEC. 43. Section 52572 of the Education Code is amended to read:

52572. The governing board of any school district or the county superintendent of schools authorized by this article to

establish special classes for adults designed to serve the educational needs of adults with disabilities may contract for the providing of those classes by any adjacent high school district or unified school district, subject to the approval of the Superintendent. For purposes of apportionments, the average daily attendance in classes conducted pursuant to the contract shall accrue to and be reported by the district in which the student resides. Any contract entered into pursuant to this section shall be for a term of not to exceed one year but may be renewed or revised and renewed annually.

SEC. 44. Section 54749 of the Education Code is amended to read:

54749. (a) For the 2000-01 fiscal year and each fiscal year thereafter, a school district or county superintendent of schools participating in Cal-SAFE is eligible for state funding from funds appropriated for services provided for the purposes of the program as follows:

(1) A support services allowance of two thousand two hundred thirty-seven dollars (\$2,237) for each unit of average daily attendance generated by each pupil who has completed the intake process pursuant to subdivision (a) of Section 54746 and is receiving services pursuant to subdivision (b) of Section 54746. This allowance shall be adjusted annually by the inflation factor set forth in subdivision (b) of Section 42238.1. In no event shall more than one support service allowance be generated by any pupil concurrently enrolled in more than one educational program.

(A) A support services allowance may not be claimed for units of average daily attendance reported pursuant to the following:

(i) Subdivision (b) of Section 1982 for pupils attending county community schools operated pursuant to Chapter 6.5 of Part 2 (commencing with Section 1980).

(ii) Pupils attending juvenile court schools operated pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27.

(iii) Pupils attending community day schools operated pursuant to Article 3 (commencing with Section 48660) of Chapter 4 of Part 27.

(iv) Pupils attending a county operated Cal-SAFE program pursuant to this article whose attendance is reported pursuant to Section 2551.3.

(B) A support services allowance may not be used to supplant average daily attendance and revenue limit funding provided pursuant to paragraph (2) for the support of educational programs that Cal-SAFE program pupils attend.

(2) Average daily attendance and revenue limit funding for pupils receiving services in the Cal-SAFE program shall be computed pursuant to provisions and regulations applicable to the educational program or programs that each pupil attends, except as provided in paragraph (3).

(3) For attendance not claimed pursuant to paragraph (2), a county office of education may claim the statewide average revenue limit per unit of average daily attendance for high school districts, payable from Section A of the State School Fund, for the attendance of pupils receiving services in the Cal-SAFE program, provided that no other revenue limit funding is claimed for the same pupil and pupil attendance of no less than 240 minutes per day and is computed and maintained pursuant to Section 46300.

(4) Except as provided in subdivision (c) of Section 54749.5, operators of Cal-SAFE programs shall be reimbursed in accordance with the amount specified in subdivision (b) of Section 8265 and the amounts specified in subdivisions (a) and (b) of Section 8265.5 for each child receiving services pursuant to the Cal-SAFE program who is the child of teen parents enrolled in the Cal-SAFE program. To be eligible for funding pursuant to this paragraph, the operational days of child care and development programs are only those necessary to provide child care services to children of pupils participating in Cal-SAFE.

(5) Notwithstanding paragraph (1), pupils for whom attendance is reported pursuant to subdivision (b) of Section 1982, pupils attending juvenile court schools, and pupils attending community day schools may complete the intake process for the Cal-SAFE program and, if the intake process is completed, shall receive services pursuant to subdivision (b) of Section 54746. The children of pupils receiving services in the Cal-SAFE program pursuant to subdivision (b) of Section 54746 and attending juvenile court schools, county community schools,

or community day schools are eligible for funding pursuant to paragraph (4) and no other provisions of this section.

(b) Funds allocated pursuant to paragraph (1) of subdivision (a) shall be accounted for separately and shall be expended only to provide the supportive services enumerated in subdivision (b) of Section 54746, to provide in-service training as specified in subdivision (d) of Section 54746, and for the expenditures enumerated in subdivision (d) of this section.

(c) Funds allocated pursuant to paragraph (4) of subdivision (a) shall be accounted for separately and shall be expended only to provide developmentally appropriate child care and development services pursuant to subdivision (c) of Section 54746 and staff development of child development program staff pursuant to subdivision (d) of Section 54746 for children of teen parents enrolled in the Cal-SAFE program for the purpose of promoting the children's development comparable to age norms, access to health and preventive services, and enhanced school readiness.

(d) Funds generated pursuant to Section 2551.3, subdivision (b) of Section 54749.5, and this section shall be accounted for separately and shall be expended only to provide the services enumerated in Section 54746 and the following expenditures as defined by the California State School Accounting Manual:

(1) Expenditures defined as direct costs of instructional programs.

(2) Expenditures defined as documented direct support costs.

(3) Expenditures defined as allocated direct support costs.

(4) Expenditures for indirect charges.

(5) Expenditures defined as facility costs, including the costs of renting, leasing, lease-purchase, remodeling, or improving buildings.

(e) Indirect costs may not exceed the lesser of the approved indirect cost rate or 10 percent.

(f) Expenditures that represent contract payments to community-based organizations and other governmental agencies pursuant to paragraph (10) of subdivision (b) of Section 54745 for the operation of a Cal-SAFE program shall be included in the Cal-SAFE program account.

(g) To the extent permitted by federal law, any funding made available to a school district or county superintendent of schools is subject to all of the following conditions:

(1) The program is open to all eligible pupils without regard to any pupil's religious beliefs or any other factor related to religion.

(2) No religious instruction is included in the program.

(3) The space where the program is operated is not used in any manner to foster religion during the time used for operation of the program.

(h) A school district or county superintendent of schools implementing a Cal-SAFE program may establish a claims process to recover federal funds available for any services provided that are Medi-Cal eligible.

(i) For purposes of serving pupils enrolled in the Cal-SAFE program in a summer school program or enrolled in a school program operating more than 180 days, eligibility for child care services pursuant to subdivision (c) of Section 54746 shall be determined by the parent's hours of enrollment and shall be for only those hours necessary to further the completion of the parent's educational program.

(j) To meet startup costs for the opening of child care and development sites, as defined in subdivision (ab) of Section 8208, and applicable regulations, a school district or county office of education may apply for a one-time 15-percent service level exemption within the amount appropriated in the annual Budget Act for the purposes of paragraph (4) of subdivision (a) for each site meeting the criteria set forth in subdivision (ab) of Section 8208. To the extent that Budget Act funding is insufficient to cover the full costs of Cal-SAFE child care, reimbursements to all participating programs shall be reduced on a pro rata basis. A school district or county office of education shall submit claims pursuant to this subdivision with other claims submitted pursuant to this section. Funding provided for startup costs shall be utilized for approvable startup costs enumerated in subdivision (a) of Section 8275.

(k) To meet costs for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for child care and development services and for the purchase of new relocatable child care facilities for lease to school districts

and contracting agencies that provide child care and development services, a school district or county office of education that provides child care pursuant to this article may apply for and receive funding pursuant to Section 8278.3.

(l) Notwithstanding any other provision of this article, the implementation of this article is contingent upon appropriations in the annual Budget Act for the purpose of its administration and evaluation by the department.

(m) Notwithstanding any other law, a charter school may apply for funding pursuant to this article and shall meet the requirements of this article to be eligible for funding pursuant to this section.

SEC. 45. Section 56195.7 of the Education Code is amended to read:

56195.7. In addition to the provisions required to be included in the local plan pursuant to Chapter 3 (commencing with Section 56205), each special education local plan area that submits a local plan pursuant to subdivision (b) of Section 56195.1 and each county office that submits a local plan pursuant to subdivision (c) of Section 56195.1 shall develop written agreements to be entered into by entities participating in the plan. The agreements need not be submitted to the superintendent. These agreements shall include, but not be limited to, the following:

(a) A coordinated identification, referral, and placement system pursuant to Chapter 4 (commencing with Section 56300).

(b) Procedural safeguards pursuant to Chapter 5 (commencing with Section 56500).

(c) Regionalized services to local programs, including, but not limited to, all of the following:

(1) Program specialist service pursuant to Section 56368.

(2) Personnel development, including training for staff, parents, and members of the community advisory committee pursuant to Article 3 (commencing with Section 56240).

(3) Evaluation pursuant to Chapter 6 (commencing with Section 56600).

(4) Data collection and development of management information systems.

(5) Curriculum development.

(6) Provision for ongoing review of programs conducted, and procedures utilized, under the local plan, and a mechanism for correcting any identified problem.

(d) A description of the process for coordinating services with other local public agencies that are funded to serve individuals with exceptional needs.

(e) A description of the process for coordinating and providing services to individuals with exceptional needs placed in public hospitals, proprietary hospitals, and other residential medical facilities pursuant to Article 5.5 (commencing with Section 56167) of Chapter 2.

(f) A description of the process for coordinating and providing services to individuals with exceptional needs placed in licensed children's institutions and foster family homes pursuant to Article 5 (commencing with Section 56155) of Chapter 2.

(g) A description of the process for coordinating and providing services to individuals with exceptional needs placed in juvenile court schools or county community schools pursuant to Section 56150.

(h) A budget for special education and related services that shall be maintained by the special education local plan area and be open to the public covering the entities providing programs or services within the special education local plan area. The budget language shall be presented in a form that is understandable by the general public. For each local educational agency or other entity providing a program or service, the budget, at minimum, shall display the following:

(1) Expenditures by object code and classification for the previous fiscal year and the budget by the same object code classification for the current fiscal year.

(2) The number and type of certificated instructional and support personnel, including the type of class setting to which they are assigned, if appropriate.

(3) The number of instructional aides and other qualified classified personnel.

(4) The number of enrolled individuals with exceptional needs receiving each type of service provided.

(i) For multidistrict special education local plan areas, a description of the policymaking process that shall include a description of the local method used to distribute state and



federal funds among the local educational agencies in the special education local plan area. The local method to distribute funds shall be approved according to the policymaking process established consistent with subdivision (f) of Section 56001 and pursuant to paragraph (3) of subdivision (b) of Section 56205.

(j) (1) In accordance with Section 1413 of Title 20 of the United States Code, each single-district special education local plan area established pursuant to Section 56195.1 shall have a written procedure for the ongoing review of programs conducted, and procedures utilized pursuant to Section 56205, under the local plan as defined pursuant to Section 56027 and administered pursuant to Section 56195, and a mechanism for correcting any identified problem pursuant to paragraph (6) of subdivision (c).

(2) Multidistrict special education local plan areas established pursuant to subdivision (b) of Section 56195.1 and a district or districts joined with the county office in accordance with subdivision (c) of Section 56195.1 shall have a written agreement entered into by entities participating in the local plan that includes a provision for ongoing review of programs conducted, and procedures utilized, under the local plan, and a mechanism for correcting any identified problem pursuant to paragraph (6) of subdivision (c).

(3) The written procedure referenced in paragraph (1) and the written agreement referenced in paragraph (2) need not be submitted to the superintendent but shall be available upon request by the department.

SEC. 46. Section 56362.7 of the Education Code is amended to read:

56362.7. (a) The Legislature recognizes the need for specially trained professionals to assess and serve pupils of limited English proficiency. This is particularly true of pupils with exceptional needs or pupils with suspected disabilities.

(b) The commission shall develop a bilingual-crosscultural certificate of assessment competence for those professionals who may participate in assessments for placements in special education programs. The certificate shall be issued to holders of appropriate credentials, certificates, or authorizations who demonstrate, by written and oral examination, all of the following:

(1) That the person is competent in both the oral and written skills of a language other than English.

(2) That the person has both the knowledge and understanding of the cultural and historical heritage of the limited-English-proficient individuals to be served.

(3) That the person has the ability to perform the assessment functions the candidate is certified or authorized to perform in English and in a language other than English.

(4) That the person has knowledge of the use of instruments and other assessment techniques appropriate to evaluate limited-English-proficient individuals with exceptional needs and ability to develop appropriate data, instructional strategies, individualized education programs, and evaluations.

(c) Certificates of bilingual-crosscultural competence for special education professionals who implement individual education plans requiring bilingual services shall be granted by the commission pursuant to Section 44253.7.

(d) It is not the intent of the Legislature in enacting this section that possession of any certificate established by this section be a state-mandated requirement for employment or continued employment. It is the intent that this is a matter for local educational agencies to determine.

SEC. 47. Section 56836.07 is added to the Education Code, to read:

56836.07. For the 2004-05 fiscal year and each fiscal year thereafter for which there is an appropriation in the annual Budget Act for this purpose, the Superintendent shall allocate funds per unit of average daily attendance, as defined in Section 56836.06, reported for the special education local plan area to a special education local plan area for the purposes of Section 56331. For the 2004-05 fiscal year and each fiscal year thereafter for which there is an appropriation in the annual Budget Act for this purpose, the Superintendent shall determine a proportionate share, consistent with existing law, to the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area based on the ratio of the amount per unit of average daily attendance determined pursuant to Section 56836.10 to the amount of the statewide target per unit of average daily attendance determined pursuant to Section 56836.11.

SEC. 48. Section 7572.5 of the Government Code is amended to read:

7572.5. (a) When an assessment is conducted pursuant to Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of the Education Code, which determines that a child is seriously emotionally disturbed, as defined in Section 300.7 of Title 34 of the Code of Federal Regulations, and any member of the individualized education program team recommends residential placement based on relevant assessment information, the individualized education program team shall be expanded to include a representative of the county mental health department.

(b) The expanded individualized education program team shall review the assessment and determine whether:

(1) The child's needs can reasonably be met through any combination of nonresidential services, preventing the need for out-of-home care.

(2) Residential care is necessary for the child to benefit from educational services.

(3) Residential services are available which address the needs identified in the assessment and which will ameliorate the conditions leading to the seriously emotionally disturbed designation.

(c) If the review required in subdivision (b) results in an individualized education program which calls for residential placement, the individualized education program shall include all the items outlined in Section 56345 of the Education Code, and shall also include:

(1) Designation of the county mental health department as lead case manager. Lead case management responsibility may be delegated to the county welfare department by agreement between the county welfare department and the designated mental health department. The mental health department shall retain financial responsibility for provision of case management services.

(2) Provision for a review of the case progress, the continuing need for out-of-home placement, the extent of compliance with the individualized education program, and progress toward alleviating the need for out-of-home care, by the full individualized education program team at least every six months.

(3) Identification of an appropriate residential facility for placement with the assistance of the county welfare department as necessary.

SEC. 49. Chapter 1.2 (commencing with Section 628) of Title 15 of Part 1 of the Penal Code is repealed.

SEC. 50. Section 34501.5 of the Vehicle Code is amended to read:

34501.5. (a) The Department of the California Highway Patrol shall adopt reasonable rules and regulations which, in the judgment of the department, are designed to promote the safe operation of vehicles described in Sections 39830 and 82321 of the Education Code and Sections 545 and 34500 of this code. The Commissioner of the California Highway Patrol shall appoint a committee of 11 members to act in an advisory capacity when developing and adopting regulations affecting school pupil transportation buses and school pupil transportation operations. The advisory committee shall consist of 11 members appointed as follows:

- (1) One member of the State Department of Education.
  - (2) One member of the Department of Motor Vehicles.
  - (3) One member of the Department of the California Highway Patrol.
  - (4) One member who is employed as a schoolbus driver.
  - (5) One member of the Office of Traffic Safety in the Business, Transportation and Housing Agency.
  - (6) Two members who are schoolbus contractors, one of whom shall be from an urban area of the state and one of whom shall be from a rural area of the state, as determined by the department.
  - (7) Two members who are representatives of school districts, one of whom shall be from an urban area of the state and one of whom shall be from a rural area of the state, as determined by the department.
  - (8) One professionally licensed member of the American Academy of Pediatrics.
  - (9) One member representing school pupil transportation operations other than schoolbus operations.
- (b) The department shall cooperate and confer with the advisory committee appointed pursuant to this section prior to

adopting rules or regulations affecting school pupil transportation buses and school pupil transportation operations.

SEC. 51. Section 11 of Chapter 14 of the Statutes of 2003 is amended to read:

Sec. 11. (a) Notwithstanding Sections 17456, 17457, 17462, and 17463 of the Education Code, or any other law, from June 1, 2003, to June 30, 2007, inclusive, the Oakland Unified School District may sell property owned by the district and use the proceeds from the sale to reduce or retire the emergency loan provided in Section 9 of this act. The sale only of property pursuant to this subdivision is not subject to Section 17459 or 17464 of the Education Code.

(b) Notwithstanding any other provision of law, from June 1, 2003, to June 30, 2007, inclusive, the Oakland Unified School District is not eligible for financial hardship assistance pursuant to Article 8 (commencing with Section 17075.10) of Chapter 12.5 of Part 10 of the Education Code.

SEC. 52. Item 6110-183-0890 of Section 2.00 of Chapter 208 of the Statutes of 2004 is amended to read:

6110-183-0890—For local assistance, Department of  
Education, Instructional Support--Safe and Drug Free  
Schools and Communities Act of 1994 (Public Law  
103-382), payable from the Federal Trust Fund ..... 52,939,000  
Schedule:  
(1) 20.10.045-Health and Physical  
Education, Drug Free Schools ..... 52,939,000  
Provisions:

1. Local education agencies shall give priority in the expenditure of the funds appropriated by this item to create comprehensive drug and violence prevention programs that promote school safety, reduce the use of drugs, and create learning environments that are free of alcohol and guns and that support academic achievement for all pupils. In addition to preventing drug and alcohol use, prevention programs will respond to the crisis of violence in our schools by addressing the need to prevent serious crime, violence, and discipline problems. The Superintendent of Public Instruction shall (a) notify local education agencies of this policy, and (b) incorporate the policy into the department's compliance review procedures.
2. Of the funds appropriated in this item, \$1,526,000 is available for one-time grants for drug and violence prevention and intervention services for entitlements earned by a local educational agency in the 2003-04 fiscal year.

SEC. 53. Section 18 of Chapter 895 of the Statutes of 2004 is amended to read:

Sec. 18. (a) Notwithstanding any other law, the Commission on State Mandates shall, on or before December 31, 2005, for paragraphs (1) to (5), inclusive, and on or before January 31, 2006, for paragraph (6), reconsider its decision in 97-TC-21, relating to the School Accountability Report Card mandate, and its parameters and guidelines for calculating the state reimbursement for that mandate pursuant to Section 6 of Article XIII B of the California Constitution for each of the following statutes, particularly in light of federal and state statutes enacted and state court decisions rendered since these statutes were enacted:

- (1) Chapter 1463 of the Statutes of 1989.
- (2) Chapter 759 of the Statutes of 1992.
- (3) Chapter 1031 of the Statutes of 1993.
- (4) Chapter 824 of the Statutes of 1994.
- (5) Chapter 918 of the Statutes of 1997.
- (6) Chapter 912 of the Statutes of 1997.

(b) Notwithstanding any other provision of law, the decision of the Commission on State Mandates on its reconsiderations pursuant to subdivision (a) shall apply retroactively to January 1, 2005.

(c) Notwithstanding any other provision of law, the parameters and guidelines associated with the test claim of 97-TC-21 shall be adjusted to conform to the decision of the Commission on State Mandates on its reconsiderations.

SEC. 54. The sum of one hundred thirty thousand dollars (\$130,000) is hereby appropriated from the California Memorial Scholarship Fund to the Scholarshare Investment Board for the purposes of establishing individual scholarship accounts for eligible participants and for administrative costs of the board pursuant to Section 70010.7 of the Education Code, and shall be allocated as follows:

(a) One hundred thousand dollars (\$100,000) for local assistance for scholarship awards and shall be available for expenditure until June 30, 2006.

(b) Thirty thousand dollars (\$30,000) for state operations to support the administration of the California Memorial Scholarship Program and shall be available until June 30, 2031.

SEC. 54.5. Due to the unique circumstances concerning the Coachella Valley Unified School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution. Therefore, Section 23.5 of this act is necessarily applicable only to the Coachella Valley Unified School District.

SEC. 55. With respect to Section 47 of this act, the Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of the Los Angeles County Juvenile Court and Community School/Division of Alternative Education Special Education Local Plan Area. The facts constituting the special circumstances are the larger pupil population and unique staffing and pupil needs.

SEC. 56. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies

or school districts, within the meaning of Section 17556 of the Government Code.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 57. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that the educational programs affected by this act are properly implemented pursuant to the clarifying, technical, and other changes made by this act, it is necessary for this act to take effect immediately.



































Approved \_\_\_\_\_, 2005

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*Governor*